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ROBERT RINGER ON VICTIMLESS CRIMES

THE NEW EDUCATION: *Why It's Flunking*

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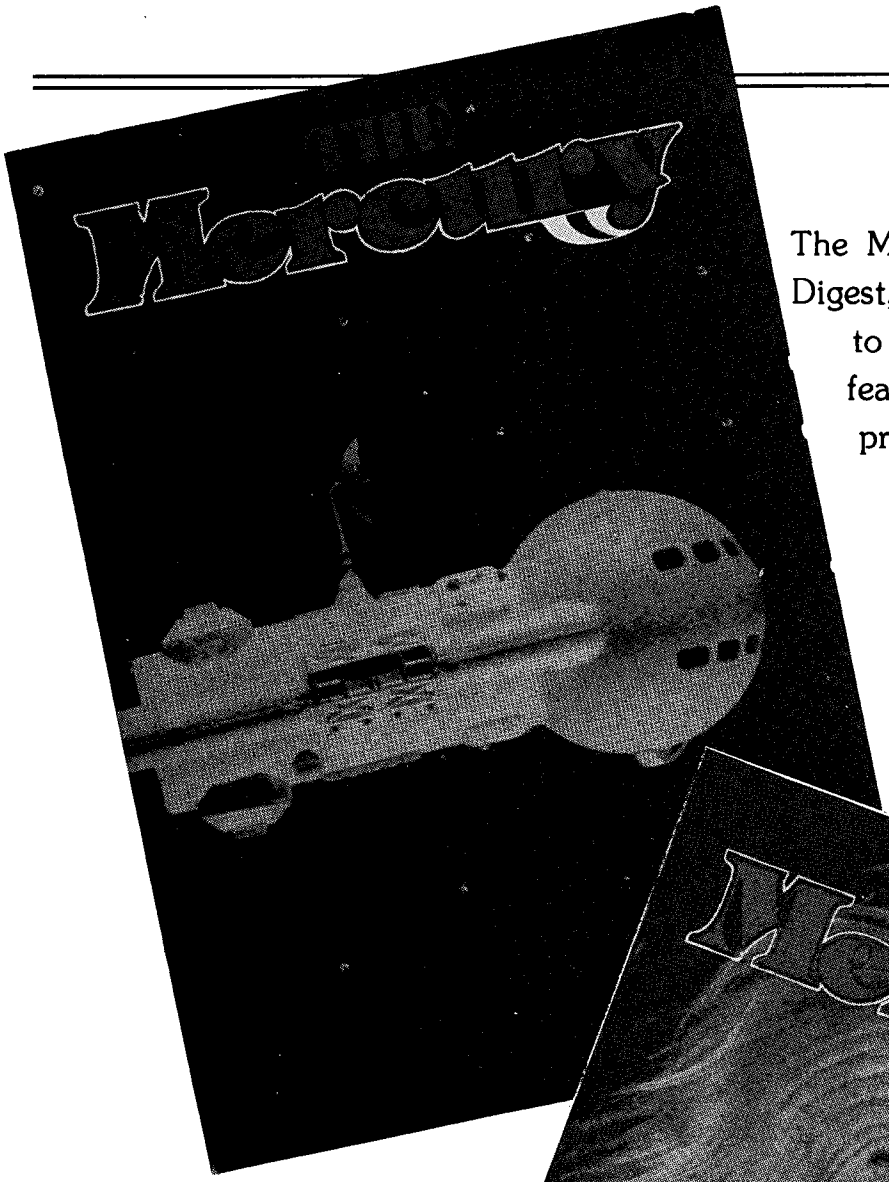

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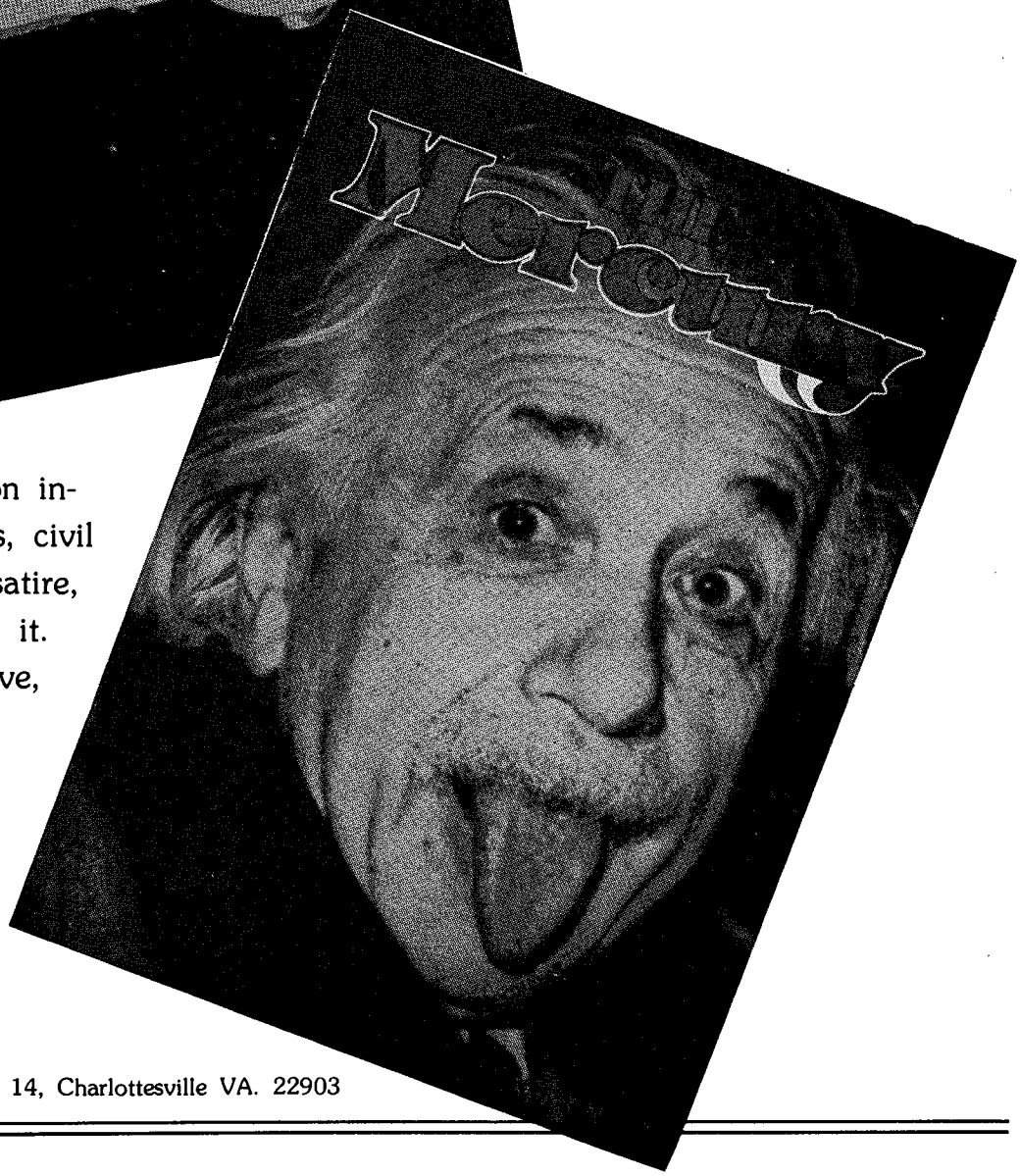

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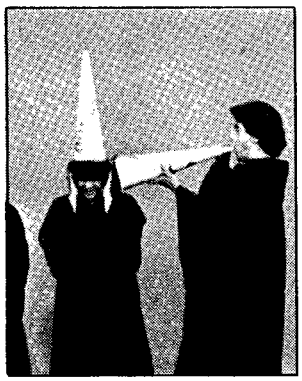

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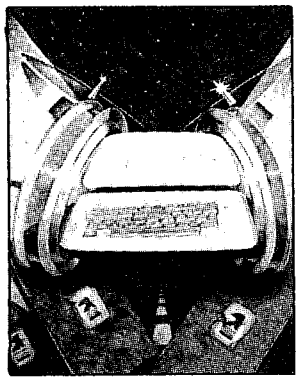

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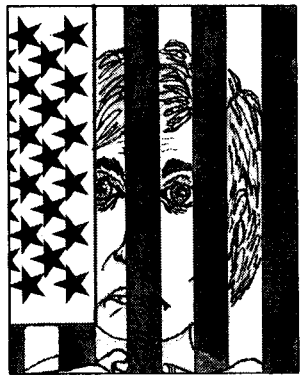

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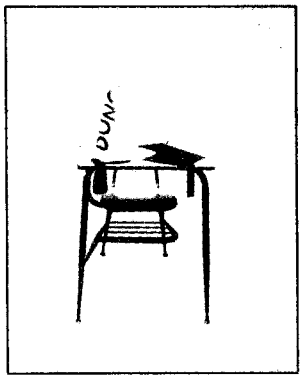

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EDITOR
Robert Poole, Jr.

ASSOCIATE EDITOR
Marty Zupan

SENIOR EDITORS
Tibor R. Machan
Manuel S. Klausner

CONTRIBUTING EDITORS
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James Dale Davidson
Edith Efron
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editor's notes

• **SINCEREST FORM OF FLATTERY?** We were startled several weeks ago to receive in the mail what looked like an imitation of our own April issue. There, in living color, was the same Boeing illustration of a solar power satellite under construction. Closer inspection revealed it to be, not the April REASON, but the June issue of the *Futurist*, magazine of the World Future Society. Given the long lead times involved in production, we don't *really* suspect imitation. Still, it's interesting to observe such parallel thinking—and fun to be first.

• **PUBLICITY.** Editor Robert Poole's syndicated column on private building codes was reprinted in the May/June issue of *Automation in Housing/Systems Building News*. That's the same column that was inserted in the *Congressional Record* by Rep. Ron Paul several months ago. Poole was also quoted in an article on the growth of the Chicago school of economics, "The Men Who Sell the Free Market," in the June issue of *Dun's Review*. And speaking of selling the free market, contributing editor Henry Manne's Law and Economics Center at the University of Miami was the subject of a long article in the May 21 issue of *Fortune.*

REASON will be well represented at the forthcoming national convention of the Libertarian Party. There will be a REASON sales booth, a special event (details to be announced), and workshops by two of the editors. Senior Editor Manuel S. Klausner will lead a workshop for libertarian lawyers, while Editor Robert Poole will lead panel discussions on (1) libertarian publications and (2) libertarianism and futurism. The convention takes place September 6-9 at the Bonaventure Hotel in Los Angeles.

• **MEDIA.** More and more articles questioning big government are appearing. The June *Atlantic Monthly* carried a forthright attack on the FDA's saccharin ban and the Delaney Clause that led to it. And the *Washington Monthly* continues to lambaste bureaucracy and sacred cows: "Abolish the SBA," in its April issue called for just that, while "Saving Our Schools from the Teachers' Unions" (May) exposed the effects of union monopoly on the Washington, D.C., public schools. The barrage continued in June with an attack on HEW empire-building in the name of aiding handicapped children and a debunking of sunset laws as ineffective. Heady stuff!

• **NOTORIETY.** The libertarian movement has officially come to the attention of *National Review*, whose June 8 issue carries a 12-page attack in which libertarianism is equated with anarchism, isolationism, and utopianism. REASON, the largest of the periodicals with a libertarian orientation, received only two brief mentions—since an accurate description of its contents would have undercut the authors' attempt at grossly misrepresenting libertarianism. Murray Rothbard, who bore the brunt of author Ernest van den Haag's attack, replies on p. 42 of this issue.

• **LEARNING FROM EXPERIENCE.** After spending a year at the Office of Policy Analysis of the Department of the Intetior, Prof. Eugene Bardach emerged substantially disillusioned. He concluded his recent book, *The Implementation Game: What Happens after a Bill Becomes Law* (MIT Press, 1977), with the following sober assessment:

> The longer I watch the evolution of public policies and programs, and the closer I get to the process, the more attached I become to the first two heresies, described in the Introduction, which currently threaten the ideology of liberal reform: government *ought* not to do many of the things liberal reform has traditionally asked of it; and even when, in some abstract sense, government does pursue appropriate goals, it is not very well suited to achieving them. Markets and mores are sturdier and more sensible, and government is probably less sensible and less reliable than liberal reformers have been willing to admit.

Yet another nail in the coffin of Big Government.

—R. P.

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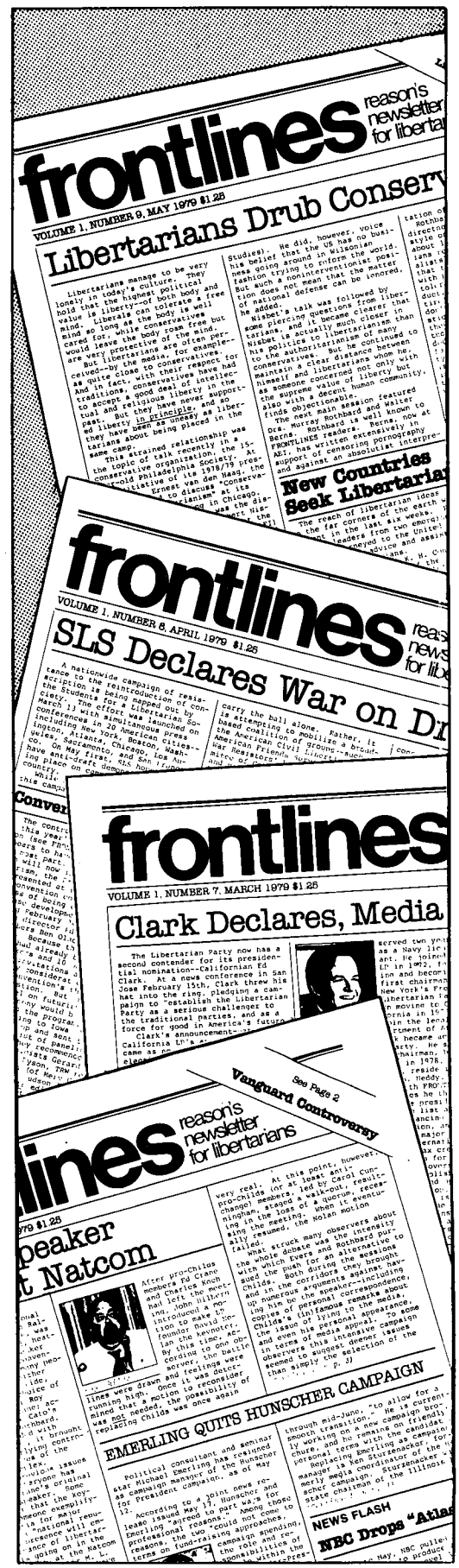


editorial

As gasoline lines spread nationwide in June, truckers struck over fuel shortages, and OPEC decreed yet another oil price increase, an energy panic seemed to sweep the nation. In response, presidential assistant Stu Eizenstat sent a now-famous memo to Jimmy Carter urging him to seize the opportunity—to rescue his political career.

And seize it he did. In his July 15 speech Carter missed no opportunity to propose expansion of the power of government and demand sacrifices from individuals. Do you value your freedom of mobility? Garage your car one day a week! Do you have urgent needs for gasoline? Stand in line for your ration book like everyone else! Do we need alternative energy sources? We'll have only the ones the government's Energy Security Corporation and Solar Bank decide are good for us! (This, from the same people who can't run trains or deliver letters competently!)

Where to get the money? Why, from the "windfall profits" of the greedy oil companies, of course. Nobody mentions that this supposedly "temporary" tax—justified as the price of decontrol—contains a *permanent* provision taxing away half the difference between the OPEC price and a base price. By 1985 that tax alone would be taking some $19 billion a year out of *our* pockets.

In short, the stage is set for a major increase in the power and scope of government. If "war is the health of the State," the "moral equivalent of war" seems to be a pretty good substitute. As this is being written, the House has passed a $3 billion synthetic fuels subsidy program, while its Education and Labor Committee (!) hastily approved a *$200 billion* government synthetic fuel corporation. That idea, whose roots extend back to Nelson Rockefeller, was sounded out for several weeks prior to Carter's embrace of it—in the *Wall Street Journal* (by Walt Rostow), the *New York Times* (by James Reston), and by the editors of *Business Week*. The Solar Bank idea has been promoted by Tom Hayden's Campaign for Economic Democracy for several years. And related ideas—for a government corporation to compete with the oil companies (from Ralph Nader) and for government takeover of the energy industry (from Americans for Democratic Action)—have been dusted off and presented as new solutions in recent weeks.

What is particularly ironic is that *anyone* should still be so naive as to think that the government—least of all James Schlesinger's $12 billion white elephant—can do anything to solve our energy woes. It is Schlesinger and Carter, after all, who in recent months have:

- Unexpectedly changed gasoline allocation rules in February, leading to regional shortages; then changed them again in April.
- Told refiners to stay out of the spot market for crude in March; then told them to get into it in May.
- Urged refineries to produce more heating oil at the expense of gasoline in April; then hastily reversed themselves when they saw the results in May.
- Ruled that farmers should get all the diesel fuel they wanted —leading to shortages for the truckers who haul farm products to the cities, and thence to truckers' strikes.
- Threatened to punish refiners for low gasoline production (June 15); then turned around and said it was not the industry's fault that gas supplies were low (June 21).

Little wonder that one oilman complained, "The real odd-even plan is Schlesinger's assessment of the energy situation." In the face of that incredible performance, we are supposed to let the *government* lead us out of the energy crisis?

Yet make no mistake—there *is* a crisis. The American economy—now importing 8 million barrels of oil a day, 50 percent of its consumption—is dangerously vulnerable to the shifting sands of Arab policies. What would happen to American farms, jobs, and homes if radical Iranian political committees shut down oil production there (3 million bbl./day), or if Saudi Arabian dissidents overthrew their monarchy (8.5 million bbl./day), or if the leaders of Iraq (2.2 million bbl./day) or Libya (2 million bbl./day) decided to punish the West for supporting Israel, or if the large Palestinian minority in Kuwait shut off its oil production (1.8 million bbl./day)? Simple prudence dictates measures to reduce our vulnerability—both to economic disruption and to pressures for continued political intervention.

Fortunately, there *are* some alternatives that do not involve expansion of government control and taxation. Most obviously, all energy prices could be deregulated—*immediately*—and the "money-grubbing" oil companies left free to earn whatever "windfalls" they can manage. The most likely result would be a surge of investment in new wells and oil and natural gas prices high enough to make such unconventional sources as oil shale, tar sands, coal-mine methane, and geopressurized zone gas economically viable. Very possibly, liquid and gaseous fuels from coal—of which the United States has immense reserves—would also become cost-competitive under these conditions. The only thing stopping such a solution is ideology—the aversion of so many politicians to the thought of "unlimited" energy company (i.e., *stockholders'*) profits.

Another part of the solution could be the creation of a "North American Common Market"—establishing open, no-tariff borders between the United States and Mexico and Canada, both of which have huge underutilized reserves of oil and gas. Such a proposal has been advanced by Kenneth E. Hill, president of Blyth Eastman Dillon & Co.; Tenneco chairman James Ketelsen is also an advocate. One "price" for such an arrangement might be free immigration across these borders—but under free-market conditions, Americans have nothing to fear and much to gain from immigrants who seek to better themselves by working here.

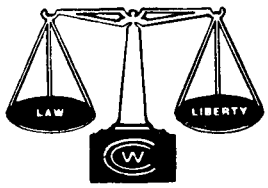
A third proposal was made by engineer R. W. Johnson in these pages in May 1975: that a new category of "exempt commodities" be defined in law, to encompass all newly developed energy sources—coal gas, solar panels, fuel cells, breeder reactors, etc. All such items, and every aspect of their production, would be exempted from taxation and regulation—totally and permanently. Even employees' income would be exempt from taxation. Under these conditions, such a flood of private, voluntary resources would be directed into new forms of energy that the OPEC cartel would be out of business in short order.

Why won't our politicians and bureaucrats implement such solutions? You know the answer. Because it would demonstrate that free people and free markets can solve problems like the energy crisis without any help from them.

It's high time we exposed the big government "solutions" for the naked power grabs they are. Only an informed and aroused public can stave off this new expansion of the State—and demand the freedom that can make possible a real solution to our energy problems.

Robert Poole, Jr.

Why Millionaires Legally Owe No Taxes



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letters

Friedman's Money

In your June 1979 issue, Mr. David Rhoads attributes to me views that I do not hold and never have held. He implies that, according to my views, the failure of prices to rise at the same percentage rate as a particular definition of the money supply contradicts the quantity theory of money. He implies also that I believe that a definition of money can be obtained on an abstract level.

The fact is that the quantity theory of money requires a stable demand function for money—not a stable velocity, not equality between the percentage change in the quantity of money and the percentage change in prices. Indeed, the typical pattern in an inflation is rather different. Let me quote from my book *Dollars and Deficits*, published in 1968:

> Generally, when inflation has started after a period of roughly stable prices, people initially do not expect prices to continue rising. They regard the price rise as temporary and expect prices to fall later on. In consequence, they tend to increase their monetary holdings and the price rise is less than the rise in the stock of money. Then, as people gradually become wise to what is going on, they tend to readjust their holdings. Prices then rise more than in proportion to the stock of money. Eventually people come to expect roughly what is happening and prices rise in proportion to the stock of money. [P. 24]

In addition, in a book written jointly with Anna J. Schwartz (*Monetary Statistics of the United States*), we have discussed extensively the problems of definition. We point out that in our opinion the appropriate definition is to be determined empirically through the closeness of the relation of any given monetary aggregate and the variables that are of interest, rather than by such a consideration as whether one item or another is to be regarded as "a temporary abode of purchasing power."

Our own conclusion was to use M_2 rather than M_1, but that is subject to change as circumstances change. It may well be that one of the broader totals that Mr. Rhoads considers is preferable to either M_1 or M_2, but unfortunately his article gives no evidence that would enable one to judge whether that is the case or not. Certainly equality between percentage rates of growth is not such evidence. The quantity theory of money is part of a subtle and sophisticated body of economic theory. It is distressing to see it treated in so oversimplified a way.

Milton Friedman
Stanford, CA

Mr. Rhoads replies: It's difficult to see how Dr. Friedman could have read so much of himself into my article. My propositions and interpretations were spelled out before I even mentioned his name.

The references to Dr. Friedman's work were not intended to imply that my con-

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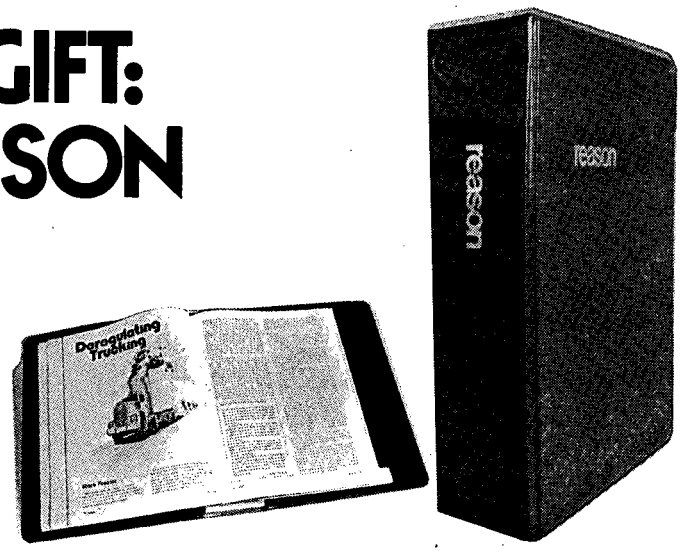

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clusions were his. And admittedly, the things I did cite may have been tangential, perhaps even contrary, to the main thrust of his work; but they've been helpful to me and I wanted to acknowledge them....

If I oversimplified in my four-page article, it was the honest mistake of a simple man...and I confess to being that. I'm not so simple as to demand a perfect, unvarying correlation between two entities that are supposed to be associated in theory (e.g., money and prices)—and I'm unable to find where I might have implied such an expectation in my article. At the same time, I'm not so complex that I'd ignore a good correlation that just happens along. Mostly, though, simplicity merely makes me uncomfortable with official monetary measures that not only stray from a demonstrable association with prices, but that actually run *counter* to each other for long periods of time.

Apparently I'm not alone in my simple concerns. The Fed is now reporting up to M_5; it's experimenting with an M_1+; and it's exploring a large cluster of other new and improved money definitions. Private investigators have gone even further in their searches—some have stretched all the way to M_{12}. And now the Fed's refusing to make any dramatic changes in the money supply until it's confident that it understands just what the money supply really is. Under these circumstances, a simplified version of monetary ideas for investors promised to be useful even if it tended to oversimplify "a subtle and sophisticated body of economic theory."

I didn't mean to imply any particular belief in abstract definitions of money. But I did want to acknowledge some of Dr. Friedman's excellent asides (written jointly with Anna J. Schwartz in *A Monetary History of the United States*) such as: "that common and widely accepted medium of exchange (money) is, at bottom, a social convention which owes its very existence to the mutual acceptance of what from one point of view is a fiction.... Money is a veil."

That idea alone could lead one to suspect that our monetary measures aren't working because they're measuring the wrong veil. People in the marketplace obviously expect their money to serve a store-of-value function whether we economists do or not. And if we're to understand market behavior, it makes sense to incorporate people's expectations in our studies.

Finally, I can understand how my article might disappoint someone who's looking for a balanced, academic dissertation on alternative money supply measures; but I make no apologies for not having presented one, since that's not what I set out to do. Instead, I had hoped to describe our investment environment—to present a systems overview of the interaction of debt, prices, and government meddling in the economy—in a way that would make that environment more understandable, manipulable, and less dangerous for investors.

On Debt

Of greatest interest to me in your financial issue [June] are the articles by Donald Kemmerer and David E. Rhoads, but for opposite reasons. Kemmerer's recommendation of dual currency is extremely valuable. This was also proposed by me in my *Introduction to the Tripartite System: A Monetary Program for Americans* (1974, 1975).

Rhoads's citation of the fact that the consumer price index has increased 46 percent in the last five years while the money supply as measured by M_1 has increased by only 31 percent is significant and deserving of explanation. But his attribution of that discrepancy to debt is manifestly insufficient. Of greater importance is the public's anticipation of future inflation. A distinction must be drawn between monetary depreciation, which is the genus of which inflation (the untoward in-

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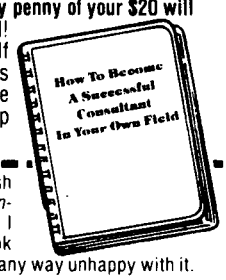

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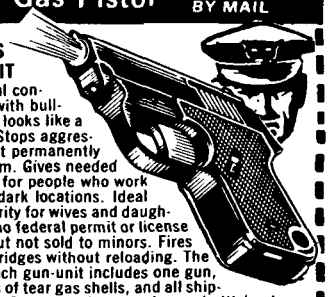

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crease in the money supply) is but one species, though it initiates the whole process. Anticipation of future inflation is another species. Competition from other currencies and, where relevant, repudiation of the currency are also species. . . .

Rhoads's attempt to explain the discrepancy between money supply growth and the cost of living is unconvincing. For instance, he speaks of there being $4.41 of debt per dollar of real production. Even if we accept his figure, it is still true that most of the debt is payable over a term greater than the approximately five years necessary to reduce it to nothing.

Consider his breakdown of the debt in "Chart B." That part which does not involve an increase of the money supply has very little direct effect on the cost of living. Much of government debt is unfunded, and out of that mass, only current payments have much effect on prices. In nonfarm mortgages—of which residences, multi- and single-family, are major components—most of the increase in prices is attributable to anticipation of future inflation, as any realtor can tell you. Prices in the commercial and financial field depend on an adjustment between the income stream and tax considerations; whatever portion of the price stems from a discounted expectation of future appreciation rests almost entirely on an anticipation of future inflation. Much of the debt actually contributes to lower prices. Consumer debt very often results in lower unit prices; counting on it, automobile manufacturers can expect larger sales volume than otherwise, thereby securing the efficiencies of mass production. Corporate debt provides for long-term investment in modern plants and equipment which tends to lower unit prices, despite interest payments.

This does not mean that the mountain of debt cannot collapse. Of course it can. A severe enough energy crisis can (and I believe will) do the job of disabling America, with or without the debt.

Peter F. Erickson
Portland, OR

Not Fond o' Fonda

The Hazlett article [July], revisiting Jonestown in all its ghastly horror, stated its theme of Socialist glorification and communal bliss, only to be repudiated by the "personalities" who gave Jones his public endorsement. Not enough stress was placed on the fact that over 275 children were delivered by the state of California into this madman's hands through its system of guardianship and state caretaking. The answer to the liberal's cry, "We can't let them starve!" has been answered. No, the State can ship them off to Guyana where they will be fed cyanide.

Jane Fonda has much to contemplate: her support of Viet Cong satraps has caused American soldiers to be tortured when they did not lick her boots. Her involvement in the greatest Energy Lie of the 20th Century, Three Mile Island, will lower the standard of living of hundreds of thousands of people, if propaganda-filled congressmen are stupid enough to heed her lies. But the Fonda endorsement of Reverend Jones, probably the most insane paranoid to hit California since Charles Manson, will be a testament to her skill of character analysis.

That's three strikes, Jane. You are out.

Howard McConnell
Evanston, IL

How Movements Move

Murray Rothbard may be the leading libertarian theorist and system builder, but he can be decidedly wrong about important issues. In his June Viewpoint he argues that (1) ideas have the power to move mountains, (2) but such ideas must be embodied in a self-conscious ***movement****, and apparently (3) self-conscious movements can move mountains. He extends this argument to concrete applications in Nicaragua and Iran. I believe that his notions in this article about social transformation are doubtful at best, that his argument about the power of ideologically self-conscious movements is misleading and potentially dangerous, and that his applications of these ideas to modern historical analysis are obviously wrong.*

Analysis of the moving forces in history is a fascinating, but always speculative, venture. The more interesting efforts trace specific phenomena or motivating factors throughout certain periods, i.e., the supply of money, technology, spirituality, incidence of liberty, etc. Rothbard is not original in his insistence that *ideas* have consequences, but his revelation that embodiment in a self-conscious movement is necessary seems unsupported by historic example. Specific self-conscious movements have achieved results, but their independent importance in history is insignificant. If the results are at all memorable, it is because of their relation to a greater force or their resistance to a weakening institution or tradition. The consequences of Adam Smith's or Charles Darwin's ideas, on the other hand, were not effected through self-conscious organizations.

Rothbard's emphasis on the importance of self-conscious movements in history is authoritarian and Leninesque. Lib-

ertarians who do not work with the Libertarian Party and those with peculiar interests, such as with space technology, may someday be branded "revisionists" or distractive to the "self-consciousness" and be chased out for not following the party line.

It is unclear to me how movements can be truly self-conscious. As an example, the American revolution involved self-interested militia whose goals were not really common but simply individually consistent. They were not uniting to obtain liberty as an economic *public good*; they were individually seeking to improve their own lives. They (we) were fortunate to have had a few moderately libertarian leaders, but the militia man in the snow probably did not "hold these truths to be self-evident...."

Rothbard's applications to recent history were wrong before they went to press. The hapless Nicaraguan coalition that lacks "a positive idea and unified leadership" were threatened today, by a Carter lackey, with OAS intervention. In Iran there has been no mountain moved. The shah has merely learned what King George learned in 18th-century America: piecemeal liberalization, in lieu of absolute oppression, can get out of hand.

Bryan Bernstein
Zionsville, IN

DC-10 Prescience

In these days of the DC-10 flap... Thanks for a soundly researched, well-written, and *timely* article on the FAA [Jan.]. Bob Poole's piece is absolutely first-rate!

Don Cochran
Honolulu, HI

How Could You, Reason?

Regarding "Unattachment" in the July issue: I was appalled to find an article in REASON which called for *more State* activity in our lives. At first I thought it was a joke, but the author's conclusion even called for President Carter to appoint a commission to study how to solve our problem of unattachment.

I don't need REASON to read of such socialistic schemes—I can read of it in most other media.

Any further articles that call for the *same* or more government in our lives will surely cause me to cancel my subscription.

Jerry W. Richmond
Ramona, CA

The Editors Reply: We thought it was obvious that Charles Maling's article was a satire on government meddling to "solve" unemployment.

Don't Strike—Quit

I enjoyed Ms. De Soubiese's article, "Surviving the Blackboard Jungle" [May], but I disagree with her on two points. First, a strike is not the only weapon teachers have. My wife and I were public school teachers for several years, and we experienced exactly the same agonies as Ms. De Soubiese. But we didn't strike, we quit. We acquired different job skills and found a different way to earn a living, in the private sector of the economy, I'm proud to say. Consequently we have no sympathy for a teacher, or anyone else, who hates what he's doing but continues to do it.

Second, calling the students animals is unforgivable; it's an insult to animals. Seriously, animals generally behave quite rationally, but there is very little rational behavior in a public school. I prefer to call the students barbarians. However, this does great injustice to some of the students. There are a few, albeit sometimes very few, who are gentle, civilized individuals. . . .They cope as best they can, which means many of them finally relent and join the barbarians. The moral and intellectual rot spreads.

Now that we've heard about the plight of the teachers, how about an article devoted to the plight of the students? Believe me, it's a true horror story, and the libertarian movement had better pay attention to it. I cannot conceive of any greater obstacle to liberty than the effects the public schools are having on the children.

Rick Maybury
Roseville, CA

Moral Truths

Seldom has REASON published an article which so brilliantly portrays the truth of reality as does "Surviving the Blackboard Jungle" [May]. Concentrating on the essence of public education, Ms. De Soubiese destroys the platitudes of the "experts," exposing the lies they use to control the educational system. Her article has far greater implications for individuals interested in the pursuit of Truth, however; for in whatever endeavor one participates in pursuing one's goal, one must "never fail to make a moral judgment—it's the only way to remain sane."

(Continued on p. 49.)

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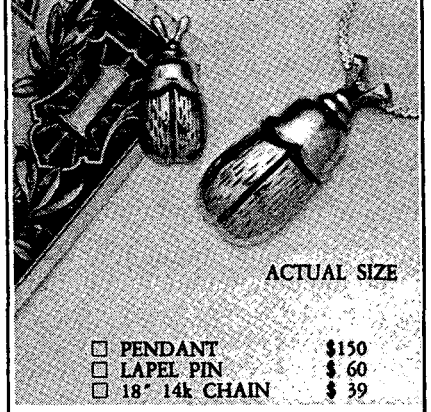

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brickbats

☐ **In what television buffs** might label a socialist sequel to ABC's popular "Love Boat," the Sea of China currently teems with tens of thousands of so-called Boat People. Seeking refuge from the global visions of Southeast Asia's Marxist liberators, this commudrama features mass starvation, raging epidemics, and frequent bouts of free-lance piracy. And an endless supply of customers. There appear to be millions more who would prefer such modest accommodations (and pay bribes of $2,000 for the privilege) to the joys of Uncle Ho's Land of Progress.

In deference to its wealthy class of theoretical socialists, the Western Super-Powers have slept through most of this grotesque obscenity. When the humanitarian Malaysian regime offered to alleviate the overcrowded conditions in its refugee camps by shooting the arriving émigrés in the surf—and pushing the 70,000 already landed back into the waters—the West seemed to grudgingly extend half a hand to the relocation process. Public opinion in these States still seems partial to the view of the labor unions and trembles that acceptance of the Asian Solzhenitsyns would endanger the prosperity of the middle class. As Professor Friedman has alertly spotted, this view is a distinctive prejudice of the welfare state; in the days of old, when guests and natives alike were expected to pay their own way, newcomers were welcomed as the contributors they can be. But in these heavy days, when the State is both Giver and Taker and individuals are simply its clients, bringing in more industrious souls only adds up to so many more public burdens. As Neil Sedaka nostalgically hummed: "There was a time when strangers were welcome here."

☐ **Bella Abzug** has joined hands with fellow underemployed congresspersons Yvonne Braithwaite Burke and Patsy Mink to invent "Women U.S.A." According to Ms. Abzug, the new front group will organize "grass roots, middle-American women who are not in organizations or involved in politics." Bella's popularity amongst the middle-class housewife population has always been phenomenal, and *great* results for this latest endeavor are anticipated. As for more personal concerns, like when her next paycheck will be issued from the public trough, the modest Ms. Abzug blurts, "There isn't a day when I don't get people calling, writing, begging me to run." Given her stunning record of 3 electoral defeats in the past 18 months, such requests might be pouring in from potential opponents. But the multi-hatted Bella insists that they are from people who "feel a certain vacuum right now." Apparently so: they have obviously been sucked in.

☐ **American women** were no more emotional in greeting Bella's campaign on their behalf than were American blacks thankful for their recent acceptance as priestly timber by the Holy Mormon Church. In a direct communique from God, the 84-year-old "prophet, seer, and revelator" of the church, Spencer Kimball, was informed that black men are okay for purposes of the church's lay priesthood. Religious experts described the switch as "the most significant change in Mormon thinking since the end of polygamy in 1890." The ruling eases the burden for the Negro race of the bothersome "curse of Trevett '78 Albuquerque Journal

☐ **A new book** by Robert S. Menchin, "Where There's a Will," provides some of the best relief in hours. In this collection of witty last testaments, Menchin reports that in 1908 Garvey B. White thoughtfully stipulated that "before anything else be done, 50 cents be paid to my son-in-law to enable him to buy for himself a good stout rope with which to hang himself, and thus rid mankind of one of the most infamous scoundrels." Mr. John Davis set aside 5 shillings for the Mrs.: "It is sufficient to enable her to get drunk for the last time at my expense." The late William Shakespeare left his better half his "second best bed." A US casualty of 1958, Adolph Heimbeck, willed "nothing to my two sisters Hazel and Katherine as they revered Franklin D. Roosevelt and the taxes caused by him more than equalled their share." And while Patrick Henry left a sizable portfolio to his wife on the stipulation that she not remarry (she did anyway), the German romantic poet Heinrich Heine did precisely the opposite. His motive for giving this incentive for remarriage to his dearest was adroitly fashioned: "Then there will be at least one man to regret my death."

☐ **And finally,** there is the miracle story of one Mr. Love. A 44-year-old Virginian, James Love was napping betwixt railroad tracks when he was tragically run over by a 47-boxcar train, hauled by 3 locomotives. It so happened, however, that the fortunate Mr. Love was tucked in an opportune posture and emerged from the seeming tragedy without a mark. Not only was the snoozing victim unhurt; in fact, he was unawakened. Local authorities had to slap and shake the sound sleeper in order to tell him of his brush with death and then to inform him of his constitutional rights while booking him on charges of public drunkenness. Investigative journalists are still prying into government documents to determine precisely which federal agency Mr. Love currently heads.

—Thomas Winslow Hazlett

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trends

Gas Price Wars

The federal energy police are on the march—and they've made their first arrest. On June 7, federal marshals arrested Glenn M. Heller, owner of Boston's Beacon Hill Gulf station. His crime? Selling gasoline for $1.52 per gallon, "unlawfully, knowingly, and willfully...in excess of the maximum allowable computed pursuant to federal regulations." According to an employee who remained behind (and continued to sell gas at $1.52), Heller believes in the free-enterprise system and therefore believes he should be allowed to charge whatever customers will pay. As East Coast gasoline lines lengthened throughout June and July, many motorists must have wished more stations had been selling some gas—*any* gas—at $1.52 per gallon.

In California, however, one 138-station chain was selling gasoline at up to $1.39 a gallon during June, setting its price at each station according to supply and demand. Accordingly, its stations were able to remain open throughout that state's period of panic buying, providing a source of "emergency gas" to all comers willing to pay its prices. And it was all legal, at least according to federal rules.

John F. Roscoe's Shortstop gas station chain was simply taking advantage of the intricate pricing regulations and its own competitive pricing strategies of prior years. Federal regulations don't control individual pump prices—only the station's profit margin. And even that ceiling can be ignored if a station has regularly charged below ceiling prices. Shortstop's accumulated "bank" of unrecovered charges from past years of low pricing amounted to over $8 million. Consequently, in recent weeks it has been able to raise prices to market-clearing levels.

"We're going to try to have gasoline available to our customers at some price 365 days a year," says Roscoe. But that philosophy has led his station managers to wink at state-imposed even-odd rationing regulation. "I don't want my people to act as vigilantes," Roscoe says. "There's no way I'm going to endanger anybody's life by denying them gasoline. Especially in some of the tougher areas, we get some screaming customers in the middle of the night." Since Shortstop outlets are self-service, it is difficult for the operator (in a booth) to check everyone's license plate numbers. "We're more or less on the honor system," says one station manager. The rumor is widespread (though false) that the governor has granted Shortstop an exemption from the even-odd regulation, in order to have emergency gas available.

Shortstop's market-pricing policies provide a clear-cut demonstration of the benefit of *economic* rather than *political* solutions to apparent shortage situations. What a contrast to the federal gasoline gestapo!

Davis-Bacon Repeal?

A one-time political sacred cow, the Davis-Bacon Act, may bite the dust within the next year or two. So predicts Sen. Orrin Hatch, who is leading a congressional effort to repeal the 1931 law.

Passed during the Depression, Davis-Bacon requires the payment of "prevailing wages" on all federal construction contracts. In practice, the Labor Department has always interpreted this to mean the highest union wage rates in the region, thereby needlessly increasing the cost of federal construction projects. Attacked by economists for years as one of the anti-competitive regulations that contributes to high prices, Davis-Bacon has remained intact because of the unions' political clout.

But many Washington observers, noting Big Labor's losses on several key issues over the past few years and the prevalence of inflation as citizens' number-one worry (even among union members), think Hatch's three-year-old effort at repeal may be close to succeeding. Forty states have their own version of the law, applicable to state construction contracts, and repeal legislation is now pending in 31 of them. In April, Florida became the first state to repeal its mini-Davis-Bacon. The way things are going, it probably won't be the last.

Third World Discovers Capitalism

All over the world the trend is away from socialism and toward private enterprise and the free market. One of the most dramatic turnarounds has taken place during the past two years in the island nation of Sri Lanka. When Junius Jayawardene's United National Party won a landslide election victory in 1977, they took over a government that had socialized, taxed, and regulated the population nearly to death. In short order Jayawardene's administration cut taxes, dumped many licenses and permits, reduced price controls and import duties, and cut back on costly rice and flour subsidies.

Now the results are starting to come in. Economic growth has doubled, from 3 percent to 6 percent. Foreign investment, attracted by a newly created free-trade zone, has leaped to 13 times the 1977 level. Six factories have been built in the free-trade zone (where there are no taxes or duties for a five-year period), and more are under construction.

In Africa, one of the continent's few economic success stories—the Ivory Coast—owes that success to a similar policy of welcoming investment by keeping taxes low. Independent since 1960, the Ivory Coast has been led since that time by President Felix Houphouet-Boigny, an ardent free-trader. In the past 15 years the country's gross national product has tripled; over the past 30 years per capita income has risen from $70 to nearly $1,000—the highest in black Africa. Unlike many African governments, the Ivory Coast's has welcomed former colonialists; as a result, the number of French expatriates is five times *greater* than in 1960. Interestingly, there are no political prisoners, and Houphouet-Boigny maintains a dialogue with South Africa.

Latin America, too, shows signs of rediscovering the market. The new Panamanian government this year plans to expand the Colon Free Zone, a tax-free haven where hundreds of firms have storage and prepackaging facilities. The mayor of Rio de Janiero hopes to restore the economy of Brazil's former capital by creating a free-trade zone and establishing new freedom for banking operations there. Chile's military government, strongly influenced by Chicago school economics, has systematically cut tariffs and reduced money-supply growth. As a result, inflation has been brought down to 20-25 percent from over 500 percent six years ago.

Perhaps the most impressive turnaround in Latin America has taken place in Puerto Rico. Following the theories of University of Southern California economist Arthur Laffer, the newly elected government of Gov. Carlos Romero Barcelo in 1977 eliminated a hated five percent income surtax (called La Vampirita) and a five percent Korean War "Victory Tax."

In 1978 all income tax rates were cut by five percent more—and yet another five percent cut is scheduled for next year. Excise taxes have been reduced and a $2 per barrel oil import surtax repealed.

According to Laffer's theory, cutting down on an excessive tax burden should lead to an explosive growth of economic activity—perhaps even enough to lead to increased tax revenues. The results have been just as predicted. In three years 107,000 new jobs have been created, and real economic growth is averaging six percent a year. Moreover, the government budget's former deficit has been replaced with a $50 million surplus, as a booming economy generates higher revenues. In Laffer's words, the tax cuts represent Puerto Rico's Proposition 13. And as in California, the result is increased prosperity.

Tuition Tax Credit—Down But Not Out

Many supporters of the idea of tax credits for those who pay tuition to private elementary and secondary schools were dismayed by a May 29 ruling of the US Supreme Court. In a 6-3 decision the court struck down a New Jersey law giving such tuition payers a $1,000 tax deduction. But all is not lost, according to the West Coast office of the National Taxpayers Union.

The New Jersey case involved a law that applied *only* to parents of private-school pupils. And since in New Jersey that meant 95 percent parochial-school pupils, the law was attacked—successfully—as being an aid to religion. But the US Court of Appeals decision that the Supreme Court upheld had specifically contrasted New Jersey's law with a Minnesota law that applies the tax benefit to *all* parents —both public-school parents and private-school parents. That law was upheld in Minnesota last year and not appealed, and a similar type of law has just been passed in Rhode Island.

Thus, measures that apply equally to public and private tuition and fees—like the tax-credit initiative effort now underway in California—appear to be constitutional.

Cable TV Advances

Competition with mediocre, least-common-denominator network television continues to develop, what with conventional cable TV, pay cable, over-the-air pay TV, and two-way cable. And now the burgeoning alternative TV industry is entering the next logical phase of development—free-market pricing.

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The state of Massachusetts has taken the lead. Early in June the legislature passed and Gov. Edward King signed into law a bill enabling the state's Cable Television Commission to cease establishing the rates charged by cable companies. The Commission itself had urged passage of the bill because, according to Director Jeff Forbes, "If there is competition, the market is a better regulator of prices than a government agency." The new law permits the commission to deregulate rates in any community where it finds a competitive situation. Forbes defines competition broadly, to include all forms of alternative TV; thus, it will not be necessary to have two conventional cable operators in order to deregulate.

Cable-pricing deregulation is also making headway in California, where cities and counties have the authority to grant franchises and regulate rates. Already 36 cities and counties have deregulated cable, and despite fears of opponents, prices in deregulated areas have not increased. (The average price in deregulated communities is $7.43 per month versus $7.31 per month in regulated ones.) And a bill to remove rate-regulating power altogether has passed the state Assembly by a whopping 59-15 and is now being considered by the Senate. It enjoys the support of Gov. Jerry Brown, whose legal affairs secretary calls it "the most potentially exciting measure that is being deliberated in the capital."

Meanwhile, in other cable developments, Warner Communications has announced that Houston is to be the second city to receive its innovative QUBE two-way cable service. And Atlanta entrepreneur Ted Turner, originator of the super-station, has announced the formation of a 24-hour, 50 percent live all-news network solely for cable TV stations. Daniel Schorr, former CBS-TV newsman, has been hired as chief Washington correspondent for the new network, which is scheduled to be in operation by July 1, 1980.

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Aerospace Privatization

The trend toward privatization of aerospace operations (see, for example, our Apr. 1979 issue) continues to develop. NASA is this summer taking the first major step toward turning over its space shuttle to private enterprise, briefing prospective bidders on a multiyear, several-hundred-million-dollar contract to handle all payload integration activities for civilian shuttle operations. By switching from in-house to contractor operations, NASA expects to save up to $1 million per shuttle launch—because of greater efficiency and cost-effectiveness. Government personnel at the Kennedy Space Center will be cut by 400-700 once the contract is in full swing. The payload integration contract is a precursor of a larger contract that would privatize all shuttle launch operations. And that, in turn, could be followed by full-scale privatization of the space shuttle, according to *Aviation Week.*

Another large-scale experiment in privatization is scheduled for this fall. In October the Department of Defense plans to contract out the entire support operation of Fort Gordon, Georgia. The winning bidder would be responsible for such operations as food service, security, laundry, landscaping, maintenance, and repair—including all electronic equipment maintenance. According to William S. Fishman of ARA Services (one of the prospective bidders), Defense "has indicated that if this proves sound, it may consider contracting out all of its installations." In an earlier experiment, contract operation of Vance Air Force Base saved 20 to 30 percent (see Trends, Nov. 1978).

NASA may soon lose another of its programs to the private sector—Landsat, the remote-sensing satellite system. In the last few years a considerable market has grown up for the data developed by these satellites—for crop inventories, forestry,

water-quality assessment, flood control, pollution monitoring, and, of course, mineral prospecting. Support for privatizing these operations is widespread—the only debate is over exactly when and how:

- Sen. Adlai Stevenson wants NASA to set up a remote-sensing business and operate it for seven years before turning it over to the private sector or another agency.
- Sen. Harrison Schmitt prefers setting up an investor-owned but federally chartered corporation (like highly successful Comsat) to provide remote-sensing services.
- Comsat itself would like to be designated by the government as "the" operator of such a system, either taking over the existing (experimental) Landsats under contract or leaving them with NASA while developing its own, more advanced (stereoscopic) satellite capability.

The Carter administration is so far noncommital, with science advisor Frank Press saying he thinks the market for a fully commercial remote sensing system is not yet there. But all do agree that it's only a matter of time.

Trucks and Buses—Deregulation This Year?

The prospects for deregulating trucks and buses—once considered dim because of strong industry and Teamsters Union opposition—have considerably brightened.

The strike in early summer by independent truckers included strong demands for deregulation. As a result, the Carter administration joined forces with Sen. Edward Kennedy to introduce a compromise bill that retains most of the features of the latter's truck deregulation measure (see Trends, Aug.). The joint measure was sent to Congress on June 21, amidst trendy proclamations that it would reduce fuel consumption (by eliminating circuitous routing and empty backhauls) and save consumers $5 billion a year in shipping costs. The Interstate Commerce Commission let it be known in May that it now supports deregulation legislation and intends to continue its own efforts to increase trucking competition.

Significantly, the momentum for truck deregulation is now great enough that its opponents have changed their approach. Instead of outright opposition, the Teamsters and the American Trucking Associations are now trying to water down whatever bill is to be passed. They're willing to support some relaxation of price regulation but are adamantly opposed to ending restrictions on entry or giving up price fixing by rate bureaus—the key monopoly-preserving feature of the status quo.

Bus deregulation is not being lost in the shuffle. The Carter administration has promised a bill in the near future, and the two biggest firms—Greyhound and Trailways—are backing the idea (see Trends, May). Trailways is also pushing for a temporary exemption from existing regulations to enable it to expand service into Greyhound territory this summer to help ease the gas crunch—a move supported by inflation czar Alfred Kahn. And in California, Trailways is urging state-level deregulation to permit it to compete with Greyhound on several major routes. Three separate bills to end long-haul bus monopoly franchises are pending in the California Legislature.

With more and more motorists seeking alternative forms of transportation, deregulating bus lines so as to expand service may well be an idea whose time has come.

Leftists Losing Europe

All across Europe, Socialists and Communists are going down to defeat, victims of a spreading revolt against big government and taxation.

A case in point was June's election for the new European Parliament. Despite strenuous campaigning by Socialists and

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Social-Democrats, they won only 110 seats (after a French recount cost that Socialist Party one of its seats) and the Communists only 42 (24 from Italy and 18 from France). The coalition of Liberals, Christian Democrats, and Conservatives together garnered 208 seats, for a clear working majority of the 410-member body.

That election came hard on the heels of the Italian national elections, in which the Communists suffered their first major postwar setback, losing 26 of their 227 parliamentary seats and dropping from 34.4 percent of the vote (in 1976) to 30.4 percent. In the months preceding the election the Communists had been outspoken in opposing cuts in government spending; apparently the voters disagreed. The Communists also lost especially heavily in major cities where they run the local government, losing 6 percent in Rome, 4 percent in Turin, and 10 percent in Naples. (The big gainer, incidentally, was the small Radical Party—champion of civil rights, divorce, abortion-law reform, feminism, and gay rights. It tripled its vote total and won 14 new seats for a total of 18.)

The Tory victory in England has cheered many free-market advocates. Margaret Thatcher's new government quickly began keeping its campaign promises. In office only a few weeks, it slashed income tax rates (though increasing sales taxes) and cut the national budget by about $3 billion.

Britain now has its first Taxpayers' Union, which intends to carry the spirit of Proposition 13 across the Atlantic. Founders Iain Brodie and Tony Fox report membership at 1,000; interest is being sparked by local tax-rate increases of 17-40 percent, and there is much talk of tax strikes in London's inner boroughs. This kind of grassroots pressure will probably be needed if the wave of anti-State feeling is to be sustained.

The free-market-oriented Shadow European Economic Policy Committee held its annual meeting in Paris at the end of May. Its members concluded that the prospects for achieving stable growth and lowering inflation in Europe are brighter than in many years. "Voters are coming to realize that the growth of aggregate output has fallen as the relative size of the public sector has increased," said economist Allan H. Meltzer at the meeting. To set things right, the group recommends steadily cutting the growth rates of both government spending and money supply in all European countries. To sustain such efforts in the face of special-interest pleas will require an active taxpayer effort—of which the British Taxpayers' Union looks to be the prototype.

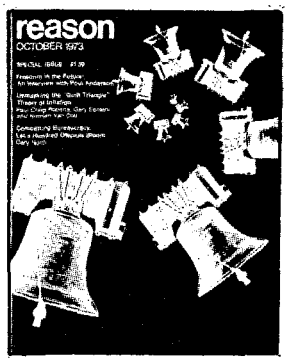
Laetrile Setbacks

The right to decide one's own medication —in this case, to use the alleged anticancer drug Laetrile—has been denied by two of the nation's highest courts.

In a 5-2 decision the California Supreme Court upheld lower-court rulings that it is a felony to "conspire to smuggle and administer Laetrile." That case affirmed the conviction of well-known Laetrile advocate Dr. James R. Privitera. And in a unanimous decision, the US Supreme Court overturned a federal appeals court ruling that had barred the Food and Drug Administration from interfering with interstate sale and distribution of Laetrile for use by patients with terminal cancer. That case had originally been decided in favor of free choice by federal district judge Luther Bohanon of Oklahoma.

There was a ray of hope within each decision, nevertheless. In the California case, Chief Justice Rose Bird—a liberal and herself a breast cancer patient—joined Justice Frank Newman in a 56-page dissent that proclaimed, "The issue here

Have You Seen...



REASON's interview with science fiction writer Poul Anderson?

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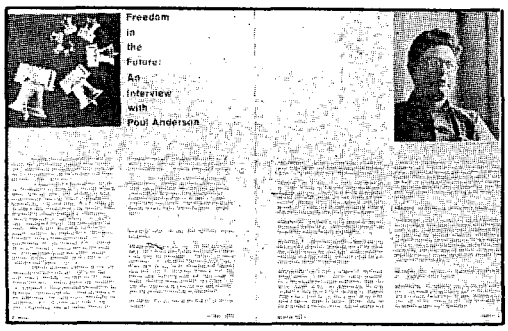
In this issue Poul Anderson, who sets many of his stories in a laissez-faire galactic context, is quizzed on government, individualism, and his own writing. Three economists unmask the "guilt triangle" theory of inflation and point their fingers at the real culprit. Gary North offers a radical plan for combatting government bureaucracy. And Adam Reed writes an obituary for "machines of loving grace" that were supposed to take over all work and put everyone on welfare. Plus REASON's inaugural Viewpoint column (featuring Murray Rothbard on Watergate) and Frontlines department (covering libertarian activist news).



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is human liberty. Can the informed cancer-ridden patient be limited in choice of treatment received from a State-licensed physician to 'state-licensed alternatives'?" Further on, Justice Bird added, "I believe the right to privacy, recognized under both state and federal constitutions, prevents the State from interfering with a person's choice of treatment on the sole grounds that the person has chosen a treatment which the State considers 'ineffective.'" Reportedly, Dr. Privitera and his codefendants will appeal to the US Supreme Court on these grounds.

If they do, they may well get a sympathetic hearing. For in overturning the federal appeals court decision, the Supreme Court justices acted on the very narrow grounds that the FDA's requirements should not be applied differentially to the terminally ill. The justices sent the case back to the appeals court, telling it to consider the alternative arguments that had originally been raised in Judge Bohanon's district court ruling—including the right-to-privacy issue and the argument that Laetrile is such an old substance that it is exempt from FDA new-drug regulations under a grandfather provision in the drug laws.

In short, medical freedom of choice is down but not out.

Milestones

• *Break for Savers.* Federal bank regulators have loosened the rules a bit for small savers, allowing them to pool funds to buy $10,000 six-month certificates (at 9 percent) rather than being stuck with 5 or 5.5 percent on passbook accounts. There's just one catch: it remains illegal for banks to *advertise* this new opportunity.

• *Socialized Teeth.* The British get "free" dental care from their National Health Service. So their teeth should be in good shape, right? Guess again. One-third of all Britishers over 16 have no natural teeth—it's 44 percent in Scotland. Over half the adults wear dentures (compared with 15 percent in the private-enterprise USA). And 95 percent of the 10-year-olds and 75 percent of the 5-year-olds in Britain need dental care. What's the problem? The waiting lists are at least six months long at NHS dentists, discouraging all but the most desperate from bothering to obtain dental care. Another triumph for socialism!

• *Nonsecrets.* Despite the federal government's attempt to censor the *Progressive*'s H-bomb story, the three essential "secrets" of the H-bomb were declassified six years ago. That fact was inadvertently disclosed in June by the government counsel in the case, Thomas S. Martin. Martin refused to release document UCRL-5280 to defense lawyers, contending that it contained the three secrets sought to be protected by censoring the magazine article. Yet UCRL-5280 was declassified in December 1973 and kept in the public stacks of the Los Alamos, N.M., Scientific Library until May 1978, when it was removed and subsequently reclassified. No one knows how many copies may have been made and disseminated between 1973 and 1978.

• *Affirmative Action Handicapped.* By a unanimous vote the Supreme Court has ruled that colleges need not spend extra money on making all programs and facilities accessible to the handicapped. Federal funding may not be cut off if schools fail to adopt affirmative action on behalf of the handicapped, fail to modify their programs, or deny admission to persons who cannot meet the physical standards for such programs as medicine and nursing.

• *Pot Measure.* In the wake of polls showing greatly increased tolerance for marijuana, NORML has announced a campaign to put a decriminalization measure on the November 1980 California ballot. The initiative would remove all criminal penalties for possession, cultivation, and non-profit transfers of pot for personal use.

• *Coal Lands Reopened.* The eight-year moratorium on coal leasing on federal land (see "Why Coal Won't Be America's Energy Solution," and "Environmental Activists Capture Washington," REASON, Oct. 1977 and May 1979) has been ended. The Interior Department has announced that coal leasing will resume under new regulations—but most likely in 1981 or 1982, so don't look for any quick increases in energy supplies.

• *CAB Phase-Out.* As part of its move toward abolition, the CAB is encouraging employees to take early retirement. Its "pre-retirement" seminars in May attracted nearly 100 employees. The agency must cut its personnel from 819 to 743 by September 1980, on the way toward abolition by the end of 1984.

• *Untaxing Nevada.* Nevada voters have voted overwhelmingly to repeal the state's 3½ percent sales tax on food. Also part of the tax rollback measure—approved by a 4-to-1 margin—was a 27 percent slash in property taxes and repeal of the personal property tax on household goods. An effort is now under way in Utah to repeal the state's sales tax on food as well.

—Robert Poole, Jr.

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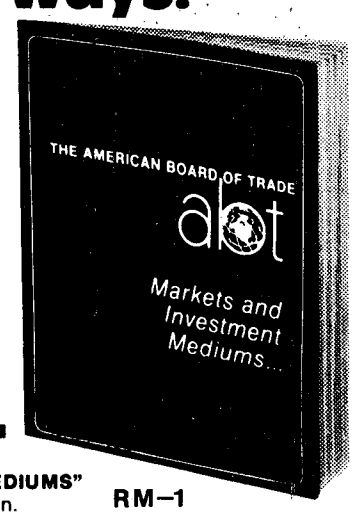

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BY LOUIS SEGESVARY

CAN'T READ, CAN'T WRITE, CAN'T CALCULATE... BUT OH, CAN

Anything which is new must always be greeted with caution, for it could turn out to be just another form of an old disease.

—C. J. Jung

MANY ARTICLES, SPEECHES, and lamentations have emerged during the past several years identifying and discussing the epidemic scope of functional illiteracy in the United States. But they do not seem to have generated sufficient action to improve the situation very much.

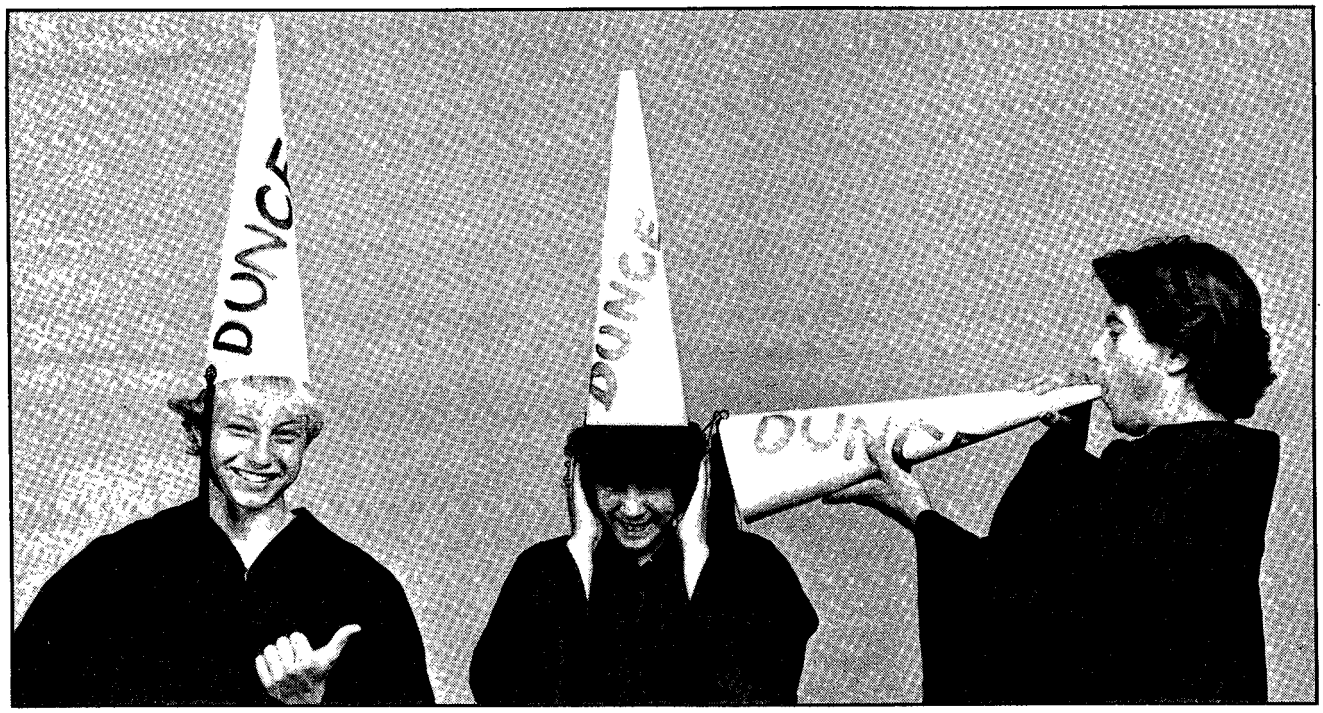
The 1978 results of the Scholastic Aptitude Tests showed a leveling off of a 14-year decline in average reading and vocabulary scores but a continued decline in math scores. Of course, after years of falling SAT scores this is good news, but only meager good news, for no lost ground has been made up. The former commissioner of education, James Allen, was inspired to offer a sunny prognosis for 1980—"this is education's moon"—to which *Newsweek* responded more realistically: "Education's moon is still light years away, and it seems to be receding. Although illiteracy —the inability to read or write a simple message—has steadily declined almost to the vanishing point, functional illiteracy —the failure to read or write well enough to be a productive citizen—is growing. . . .the job is not getting done."

POOR PERFORMANCE

Sen. George McGovern recently proposed the creation of a national commission on literacy, claiming that "millions of American high school graduates lack a working knowledge of reading, writing, and math." He is also one of those who doesn't forsee a leveling off in the decline, maintaining that "the problem is chronic and getting worse, and if this trend continues,. . . an already deteriorating situation will become an educational disaster and a national disgrace." Whether or not this disconsolate prognosis is warranted, any optimistic forecasts should be carefully hedged when UPI can report that "one-third of applicants for teaching jobs in Florida in 1976 failed an eighth-grade general knowledge test" and when the folksy *National Enquirer* discloses that testing of reading teachers working on their master's degrees at the University of South Carolina "showed that an incredible 25 percent read below eighth-grade level."

What is responsible for students' poor performance these days? *Newsweek* notes in its assessment of the "blight of illiteracy" that "experts offer many explanations: a failure of the schools to emphasize basic skills; poor readers being passed along until they emerge from school with a diploma but no reading competency; too much television; a lack of parental involvement." Whether or not these explanations hit the mark, it is true that many factors figure into the learning process, so it would not be fair to place all the blame on the schools. On the other hand, it would be patently foolish to assume anything less than a prominent role on the part of the schools in this depressing scenario, when most children and teenagers in this country are required to spend in them a good part of a day, five days a week, for most of the year, with the hoped-for result that, among other things, they will learn how to read and write.

What makes a disconcerting situation not only disconcerting but ludicrous is that there are plenty of clues to what can



WE RELATE

HOW THE NEW EDUCATION HAS SUBVERTED LEARNING

be done to both arrest and reverse the decline in literacy. Essentially, the road to recovery lies in responding to the censure of Gene Lyons as it appeared on the cover of *Harper's* September 1976 issue: "American students are not learning to write because nobody bothers to teach them how." It sounds almost too simple to be true, but there is compelling evidence to support precisely this claim.

WHY AMERICANS CAN'T...

Perhaps the most impressive of the evidence is a longitudinal study conducted by a group of researchers at Lancaster University in England and published in America in 1976 by Harvard University Press under the title *Teacher Styles and Progress*, authored by Neville Bennet. Three different groups of students were compared: those taught by (a) informal teachers, who are characterized in terms of "self-scheduled work, integration of subjects, no effort to curb talking or movement among children, no tests or grading"; (b) formal teachers, "structured lesson plan, fixed work schedule, reward system"; and (c) mixed teachers.

The result of the study? "During the course of the school year, formally taught pupils spent more time working and achieved significantly greater gains in tests of reading, writing, and arithmetic." While the authors do not necessarily argue for a return to "old-fashioned," traditional methods of teaching and do not reject out of hand innovations of recent years, they very clearly make the point that students must be taught in some sort of directed fashion if they are to achieve to their full potential.

Since there has been a nationwide trend toward informal education in the United States during the past decade, this study has some weighty implications for American educators. No less a renowned figure in educational psychology than Jerome Brunner characterized *Teacher Styles and Progress* as a "powerful, disturbing book that is bound to reverberate in educational and political debate over the coming years."

And this study is not the only evidence. In a provocative article in the August 1978 issue of *Human Nature* entitled "Why Americans Can't Write," Edward T. Hall describes the results of a comparison between writing samples from African students in Botswana and from American students. The Botswana students are recipients of directed, sequential instruction with an emphasis on classics and proper punctuation, usage, and paragraphing. A former English instructor in America who now teaches in Botswana, Hall observes that the "15- and 16-year olds I have had in this program for two years write better and with more ease than the privileged 17-year olds I left behind in America four years ago. And only a handful of my students know English as their first language."

In the article, writing samples from the work of two New York City high school seniors, the samples "selected at random by the students' English teacher," are printed next to an excerpt from an African essay. The differences in writing competence are so striking, the African student's writing so much more coherent and sophisticated, that the question why America, with the hundred billion dollars and more it expends yearly for education, lags behind Botswana in quality education, sounds like a bad joke..

STUDENT AT THE CENTER

But bad philosophy can all too easily lead to events that prove to be bad jokes, and bad educational philosophy is no exception. The incongruity of mass functional illiteracy in the world's most affluent society as it operates the most expen-

PHOTO BY KELLEY DWYER

sive educational machine ever assembled in history is a bad joke. The bad philosophy is the sophistry underpinning the "new education," which has unwittingly helped to write the script for this depressing scene.

It is common knowledge that what can be called the new education—or student-directed or student-centered or non-directed or informal education—has been an extremely influential movement in the '60s and '70s. Proponents of the new education take their cue from John Dewey's notion that education should be concerned with the "whole child." So they have argued that if students are to achieve self-realization in the course of their schooling, they should have the prerogative of shaping their own curriculum.

The extent to which this view has captured the imagination of contemporary educators is indicated by the widespread proliferation of "open classrooms" in primary schools, while in secondary schools electives became the rage. As Edwin Hall notes:

> Many secondary schools adopted the one-term course, an elective on any topic from "science fiction" to "the literature of war" to "creative writing." Students could choose whichever option suited them instead of following a core curriculum for a year or two. Innovation fed on innovation....I am not saying that these courses were bad; many were rigorous and intriguing. The point is that to make room for these enticing studies, the old-fashioned full-year course—including Shakespeare, classical novels, and poetry—vanished. The upshot was that a student from one of the best schools in the nation could enter college without having read a classic or having struggled with any written topic more demanding than "The Imagination of Isaac Asimov" or "Student Rights in Our Schools." College teachers found themselves confronted with students of varied and esoteric abilities and wondered what had happened to the common ground on which they used to meet their freshmen.

The degree to which students can shape their own curriculum varies, of course, from school to school, with schools patterned after A. S. Neil's Summerhill providing for the greatest degree of student direction. But in varying degrees and for some time, the siren song of the new education has been a most seductive influence in contemporary educational practice.

Neil Postman and Charles Weingartner wrote one of the most celebrated books promoting the new education—*Teaching as a Subversive Activity*. Praised by Marshall McLuhan and such publications as *Playboy*, the *New York Times Book Review*, and *Saturday Review*, the book delineates the tenets of the new education and allows us to scrutinize its conceptual foundation.

MEANING MAKING

For Postman and Weingartner, core curricula and their attendant requirements are anathema. The learning process, they maintain, is so personal and unique that it should actually be termed "meaning making." And the student must be free to shape his own "meanings" from stimuli.

The "old education" is "based on the assumption that the student is fundamentally a *receiver*, that the object ('subject matter') from which the stimulus originates is all-important, and the student has no choice but to see and understand the stimulus as 'it' is." But "we now know that this assumption is false," say Postman and Weingartner, offering a quote from Earl Kelley:

The incongruity of mass functional illiteracy in the world's most affluent society is a bad joke.

> Now it comes about that whatever we tell the learner, he will make something that is all his own out of it, and it will be different from what we held so dear and attempted to "transmit." He will build it into his own scheme of things, and relate it uniquely to what he already uniquely holds as experience. Thus he builds a world all his own....

And they go on to draw out the implications of this view:

> The meaning-making metaphor puts the student at the center of the learning process. It makes possible and acceptable a plurality of meanings, for the environment does not exist only to impose standardized meanings, but rather to improve their meaning-making capabilities. And this is the basis of the process of learning how to learn, and how to deal with the otherwise "meaningless," how to cope with the change that requires new meanings to be made.

"Requirements" are systems of prescriptions and proscriptions intended solely to limit the physical and intellectual movements of students—"keep them in line, in sequence, in order"....The "requirements" indeed *force the teacher*—and administrator—into the role of an authoritarian functionary whose primary task becomes that of enforcing the requirements rather than helping the learner to learn.

To implement the "meaning-making metaphor" the authors advocate a "questions curriculum," which, it is maintained, would be responsive to the students' "actual and immediate" needs and would cultivate inquiry and relevant "meaning making." Students would shape their curriculum based on their responses to such questions as the following, a sample from the many suggested by the authors:

> What do you worry about most?
> How can you tell "good guys" from "bad guys"?
> What's a good idea?
> What is "change"?
> What bothers you most about adults? Why?
> What's worth knowing? How do you decide?

Any further questions generated from these would also be part of the new curriculum.

Basically, the teacher would become a companion, stimulating questioning but generally refraining from directing activities toward any preconceived goal. To find answers, the students would "go to books, to laboratories, to newspapers, to TV sets, to the streets, to wherever they must go to find their answers." Students would be in complete charge of the direction and the content of their own education.

PERCEIVING AS DECIDING

Everything in *Teaching as a Subversive Activity* hinges on the authors' account of perception. Underpinning their claim that "meaning making" is the desirable metaphor to depict the learning process is a supposition that they reiterate in various forms:

> What we perceive is largely a function of our previous experiences, our assumptions, and our purposes (i.e., needs). In other words, the perceiver decides what an object is, where it is, and why it is according to his purposes and the assump-

tions that he makes at any given time. You tend to perceive what you want and need to perceive, and what your past experience has led you to assume will "work" for you.

Since our perceptions come from us and our past experience, it is obvious that each individual will perceive what is out there in a unique way. We have no common world, and communication is possible only to the extent that two perceivers have similar purposes, assumptions, and experiences.

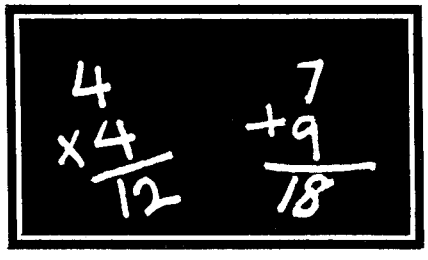
The fact that both groups will agree to the sentence "It is raining" does not mean that they perceive the "event" in the same way.

In the light of all this, perhaps you will understand why we prefer the metaphor of "meaning making" to most of the metaphors of the mind that are operative in the schools.

As empirical confirmation for their characterization of perception, Postman and Weingartner cite the work of Albert Ames, Jr., which is summarized as follows by the *Britannica Macropedia*:

> Psychologist Albert Ames, Jr., and Egon Brunswick proposed that one perceives under the strong influence of his learned assumptions and inferences, these providing a context for evaluating sensory data (inputs). In keeping with enrichment theory, Brunswick and Ames contended that sensory stimuli alone inherently lack some of the information needed for mature, adaptive perceiving; enrichment was held necessary to reduce ambiguity.
>
> Much of the evidence for the contention that all perceiving is modified by one's assumptions comes from investigations in which most of the visual, everyday stimuli are eliminated. Often, the subject may view an isolated target in total darkness or look at a motionless display while keeping his head steady. To show that learned assumptions about physical size affect perceived distance, the observer may be asked to judge how far he is from a rectangle of light displayed against total darkness. He is told at one time that the rectangle is a calling card; at another it is called a business envelope. His assumptions about these objects in relation to the size of his retinal image are invoked as prompting him to say that the "envelope" looks more distant than does the "calling card"....
>
> Ames held that perceiving under unusual conditions (e.g., in a dark room) follows the same principles that govern more ordinary experience. The special conditions are said to permit experimental scrutiny of the same processes that are so difficult to examine under ordinary, uncontrolled conditions.

But if this can be taken as a credible account of the Ames experiments, we are left with many problems. They scarcely resolve the question to what extent perception is dependent on innate or learned factors. Nor do they confirm the authors' contention that perception is "*largely* a function of our previous experiences, our assumptions, and our purposes (i.e., needs)." As the *Macropedia* goes on to note:



The learning process, they maintain, is so personal and unique that it should be termed "meaning making."

> An opposing view is that such perceptual assumptions and inferences operate *only* under specific experimental conditions. It is asserted that only when commonly available sources of information are eliminated is the subject forced to rely on assumptions.

Further, it is pointed out, any suggestion to discount the role of innate factors in perception should be greeted with caution, when studies are available of human newborn and very young infants, indicating highly organized and stable perceptual functions.

LINK TO REALITY

Even if perception were a completely learned process, its thoroughly subjective characterization at the hands of the authors would still not be justified. According to *Webster's*, *to perceive* means "to obtain knowledge (of) through the senses, to take cognizance of the existence, character, or identity (of) by means of the senses; to see, hear, etc.; as to *perceive* a distant ship, to perceive a discord." And common experience quickly discloses the unremarkable fact that people's perceptions, regardless of the extent of differences in background or experience, can be unique only to a limited degree, since perception must be linked to an explicit physical world of objects and events.

Nothing less than the perceptual capacity to fathom the intrinsic constitution of things has empowered man to prevail in the world and to make a personal inventory. As Teilhard de Chardin observes in *The Phenomenon of Man*, "For man to discover man and take his measure, a whole series of 'senses' have been necessary, whose gradual acquisition . . . covers and punctuates the whole history of the struggles of the mind." Among these are: "A sense of spatial immensity, in greatness and smallness, disarticulating and spacing out, within a sphere of indefinite radius, the orbits of objects which press around us"; "A sense of proportion, realizing as best we can the difference of physical scale which separates, both in rhythm and dimension, the atom from the nebula, the infinitesimal from the immense"; and "A sense, lastly, of the organic, discovering physical links and structural unity under the superficial juxtaposition of successions and collectives."

These senses develop in each person to the same purpose, whether through innate or learned factors, though the prevailing view is that they develop through a combination of both. The necessity of dealing with external reality assures considerable uniformity and objectivity in individuals' perceptual processes, regardless of how diverse their backgrounds.

The issue, of course, is not whether perceiving can to *some* extent be subjectively influenced, even shaped to degrees by "previous experiences, assumptions, and purposes." Plenty of experiments in the literature of experimental psychology illustrate such influences. Even perception focused on clearly visible and defined objects can be so affected. For instance, an experiment in 1963 by Lambert, Solomon, and Watson suggests that the size of an object can be overestimated because of its social value: children from varying socioeconomic backgrounds differed in their judgment of the size of tokens redeemable for candy rewards. Experiments also suggest that the ability to distinguish between geometric shapes, such as the square and the triangle, is learned.

Nonetheless, perception cannot amount to making anything at all out of what is "out there," for objects and events possess a reality vetoing any extensive straying into uniqueness. There is a lesson to be learned from Samuel Johnson's response to Bishop Berkeley's philosophy, which held that the world is each person's subjective creation. As Berkeley's ideas were being explained to him, Johnson kicked a rock down the path he was walking along, exclaiming, "Thus do I refute Berkeley."

SELECTIVE PERCEPTION

In his *Psychology of Education*, M. Ray Loree recounts some studies that ostensibly demonstrate cultural differences in perception.

> A few of these experiments have made use of an adapted version of the old-fashioned stereoscope. With such an apparatus, it is possible to create binocular rivalry, since one picture may be viewed by the right eye while a different picture is viewed by the left eye. Bagby (1957) constructed pairs of slides consisting of one picture of an individual, object, or symbol that would be of particular interest to the Mexicans; in the other, a picture of particular significance to Americans. For example, in one pair of slides a picture of a bullfighter was matched with a picture of a baseball player. When these pairs of pictures were shown to Mexican school teachers, most of them saw the Mexican symbol; when the same pictures were shown to American school teachers, most saw the American symbol. Thus, the culturally significant was perceived by the members of both groups.

Even if perception were a completely learned process, its subjective characterization would still not be justified.

Does this experiment provide further evidence, along with the Ames studies, of the "unique way" in which learners perceive and more justification to reject common classroom requirements? The problem with such a conclusion is that the experiment does not indicate any cultural differences in *focused perception*, with subjects consciously centering their attention on a specific object. It only demonstrates that, because of certain differences in background, the subjects revealed distinct preferences in responding to visual cues. Preference in perception, whether consciously or unconsciously motivated, is easily noted in everyday experience.

Some people are also more "perceptive" than others in that they can perceive more of the constituent elements of events. But notwithstanding any differences in perceptual acumen between two individuals, both participate in an extensively common phenomenological world. And it is the very possibility of focused perception that can make it possible for the more perceptive to reveal the subtler elements of the world to the other.

The capacity to perceive selectively, or preferentially, may be unsettled by psychedelic drugs, which can precipitate an overwhelming, uncontrolled onrush of perceptions. This may happen because of a great acceleration in the neural firings within the brain, as suggested by physicist Lambert Dolphin, a former experimenter with LSD. Or it may be caused by a temporary suspension of the filtering function of the brain, making possible a flood of perceptions otherwise restrained. Neither explanation, however, impugns the power of *focused perception* to comprehend objects and events. They only dramatize the necessity for controlled perceptual processes to contend with what is "out there."

ELEMENTARY DISTINCTIONS

It is safe to assert that a person of Mexican background could perceive and accurately note the details of the American symbol, and vice versa for the person of American background. The point is highly elementary but crucial for escaping the solipsistic snare set by the authors. Teachers ask pupils of various backgrounds to focus their attention on the letters of the alphabet, on words, on numbers, on pictures, on their voices, etc. And notwithstanding differences in background, everyday experience easily discloses that in the average classroom most pupils can understand what is taking place (does this even have to be pointed out?), especially since the teacher is eliciting their attention and providing explanations. (Exceptions are pupils afflicted with functional handicaps, such as dyslexia.) And while pupils may well vary in the significance or meaning they attach to what they perceive, such differences reflect an interpreting or construing function *following* perceptual apprehension.

But Postman and Weingartner confusedly lump together cognitive apprehension and the emotive and attitudinal reactions of personality. Not surprisingly, then, they end up with a bloated concept of perception. Their reference to individuals agreeing to the fact that it is raining but not necessarily perceiving the event in the same way is a good case in point:

> If rain is falling from the sky, some people will head for shelter, others will enjoy walking in it. Their perceptions of "What is happening" are different things. The fact that both groups will agree to the sentence, "It is raining" does not mean they perceive the "event" in the same way.

What is puzzling here is the notion that people can "agree" that it is raining without perceiving the event in the same way. If the members of a group can even "agree to the sentence, 'It is raining,' " there must be an extensive similarity in perceptual apprehension as to the physical reality of what is taking place.

Of course, the immediate perceptual apprehension of an event can be distinguished from the subjective, interpretive response that follows. But this is a distinction apparently lost on the authors, who lump everything together and call the results perception. Such a sloppy maneuver vitiates the possibility of drawing distinctions between critically different aspects of mental functioning; for it is possible to be very much aware of the general nature of an event in the more or less objective sense, while simultaneously being aware of the emotions or attitudes the event is generating within. Such awareness, by checking unwarranted preconceptions and promoting respect for facts, contributes to learning in the best sense.

OBJECTIVITY

Perhaps Postman and Weingartner could find their consciousness expanded by momentarily returning to the 19th century and contemplating the following observation of one of its seers, Emerson:

> Thoughtless people contradict as readily the statement of perceptions as of opinions; for they do not distinguish between perception and notion. They fancy that I choose to see this or that thing. But perception is not whimsical, but fatal. If I see a trait, my children will see it after me, and in course of time all mankind,—although it may chance that no one has seen it before me. For my perception of it is as much a fact as the sun.

In a similar vein Ayn Rand, a contemporary writer, has John Galt, the protagonist of *Atlas Shrugged*, saying:

> Those who tell you that man is unable to perceive a reality undistorted by his senses, mean that they are unwilling to perceive a reality undistorted by their feelings.... They want to cheat the axiom of existence and consciousness, they want their consciousness to be an instrument not of *perceiving* but of *creating* existence, and existence to be not the *object* but the *subject* of their consciousness.

A poignant illustration of the objective dimension intrinsic to perception can be found in Colin Wilson's study of modern philosophy, *Beyond the Outsider*. After the birth of her second child, a mother found herself in a condition of such emotional oversensitivity that "the thought of pain or misfortune would bring her close to tears." While in this overwrought condition, she happened to read John Her-

sey's account of the bombing of Hiroshima. The effect was to burn her out:

> She became completely incapable of any kind of feeling, as though all the "feeling nerves" had been cauterized. Even when she had recovered physically, the capacity to feel did not return, although she "went through the motions" of social and family life. One of the symptoms of this state of "inner deadness" was that grass took on an artificial appearance, while the leaves on trees seemed to be cut out of green tin. ...A year later, she and her husband were thinking of buying a cottage in Hampshire, and went to view it. (She) went out alone into the field behind the cottage. The grass, as usual, looked a clever imitation, and the leaves like tin. She noticed some unfamiliar blue flowers in the grass; their blue was so intense that she stopped to stare. Suddenly, the blueness seemed to break through the glass wall between herself and reality, and a sense of tremendous emotional relief followed so that she burst into tears. She knew this was the beginning of recovery.

What is significant in this account is that, even though the woman's emotional state was badly impaired, the inherent, objective dimension of her perceptions remained intact. "The grass and leaves were seen as lifeless," but as Colin Wilson further observes, 'it would hardly be untrue to say that grass and leaves *really* look rather like green raffia and tin; we supply their 'life' in looking at them. The burning out of the internal fuses meant that this energy was no longer available to the subconscious intentionality, so that nature was seen as dead." Whether we supply the sense of "life" to our perceptions of nature or discover it (with oversensitized nerves temporarily disturbing this capacity), this account obligates a certain distinction between perception and feelings.

INTELLECTUAL SKILLS

Postman and Weingartner advocate the umbrella concept of "meaning making" to depict the learning process. But here, as with their view of perception, they fail to consider the degree of objectivity that can exist apart from the subjective element. In other words, not all forms of learning can be conceived of in the way Kelley did, where the learner, whatever we tell him,

> will make something that is all his own of it, and it will be different from what we held so dear and attempted to "transmit." He will build it into his own scheme of things, and relate it uniquely to what he already uniquely holds as experience. Thus he builds a world all his own....

There is the cognitive, or intellectual, dimension of learning to consider. The process whereby students acquire such intellectual skills as rational thinking, reading, writing, and arithmetic is a learning process that can scarcely be conceived of in the attitudinal terms of "meaning making."

Meaning is undeniably essential to a person's life (especially in the spiritual sense—Victor Frankl's *Man's Search for Meaning* is a beautiful illustration in point). Yet it is implausible to employ their "meaning-making metaphor" of learning to make sense of the development of intellectual skills. While these skills can be utilized in the process of meaning making, they are not meanings as such. Students may very well attribute different values or meanings to the importance of acquiring such skills as thinking logically, reading, and writing—depending on their backgrounds, environments, personality types, etc. (especially since, contrary to the authors' view, pupils don't always know "what's worth knowing"). But that is not to say that the *process* of learning to master such skills can be considered an attitudinal, "meaning-making" process.

Any suggestion, then, to dispense with educational requirements on the grounds that they prevent the learner from realizing his own "unique world" is illogical. Structuring a set of learning expectations in the form of requirements is quite feasible, since perception is not as unique as the authors envision and "meaning making" is hardly an adequate metaphor to characterize the full range of the learning process. The objective dimension of the learning process makes requirements psychologically workable and practical.

DEADLY POTENTIAL

The sociopolitical issue, however—whether schooling itself should be required (compulsory), as discussed by Ivan Illich in *Deschooling Society*, for example—is another question. It does not bear on the contention here, which is that there must be elements of direction in the educational process if it is to lead to mastery of such basic skills as reading and writing. Whether the process takes place at home under the tutelage of parents, in a makeshift school, or in a public school is not relevant to this point.

The irony today is that, while public schooling or an approved variant is made compulsory for the ostensible purpose of vouchsafing learning, the resultant diploma has become all too often meaningless as any reliable indication of it. For instance, a former commissioner of education a few years ago characterized the New York City high school diplomas as mere "certificates of attendance."

In the light of such a development, perhaps it would be desirable to make available the following three alternatives: (a) schooling with a sequential, core curriculum and limited electives, leading to a certificate of achievement and competency; (b) schooling with few requirements, if any, leading to a certificate of attendance; and (c) no schooling at all. At least in this way, the current widespread confusion about the significance of a high school diploma would be dispelled.

In conclusion, while alluring in its outer apparel, the "new education" on closer inspection harbors a deadly potential for generating incompetency and cultural uprootedness. Ostensibly designed for the cultivation of "whole" personalities, it has vigorously contributed to a contrary result: the proliferation of the insufficient, whose sense of being becomes correspondingly limited and fragmented as they are cut off from the mainstream of social participation.

It is impossible to conceive of the term *whole* as it applies to a human being without recognizing the extensive socialization it presupposes—a socialization that, to be fully realized, requires the mastery of basic communication skills, including reading and writing. Proponents of the new education, such as Postman and Weingartner, fail to see that directed forms of education are crucial to the realization of personal wholeness *in this complete sense*. They neglect, as well, the possibility of real and meaningful inquiry existing simultaneously with a basic curriculum of requirements, and they fail to recognize in "requirements" the concern and love motivating a community to assure for the young adequate preparation for a life of capability and purpose.

To the extent that the new education encourages inquiry and affirms the uniqueness and wholeness of the individual, it has value. But to the extent that it promotes an inordinate subjectivism and thereby impedes that vital process whereby one generation imparts to the next the legacy of man's skill, achievement, culture, and inspiration—to that extent, it is worthless. ◻

Louis Segesvary is a high school teacher with the Department of Defense. He is presently assigned to Bitburg, Germany, and is concurrently a doctoral candidate in German literature at Frankfurt's Goethe University.

DENATIONALIZING THE MAILS

by Jeff Sampson

Electronics and entrepreneurs challenge the archaic postal monopoly.

In 1976, Patricia and J. Paul Brennan, residents of Rochester, New York, made a fascinating discovery. Frustrated in their use of the United States Postal Service for local mail, they decided to bypass the problem and hand-deliver their letter communications. Soon, the Brennans were delivering not only their own letters but others' as well. What the Brennans discovered was that they could hand-deliver mail within downtown Rochester, guarantee same-day delivery, and charge three cents per letter *less* than the Postal Service. The Brennans founded the P. H. Brennan Hand Delivery Service for fun and profit.

In early 1977, the Brennans made another discovery: they had broken the law, and it would be enforced. The US District Court for western New York shut down P. H. Brennan Hand Delivery Service and enjoined it from delivering the mail. The Brennans battled, but on April 13, 1978, the United States Court of Appeals, Second Circuit, upheld the injunction. And four months later the Supreme Court stopped the Brennans cold by refusing to hear their appeal.

What befell P. H. Brennan is not unique in history. Like others before them, the Brennans had been masticated au flambé in the jaws of the Private Express Statutes.

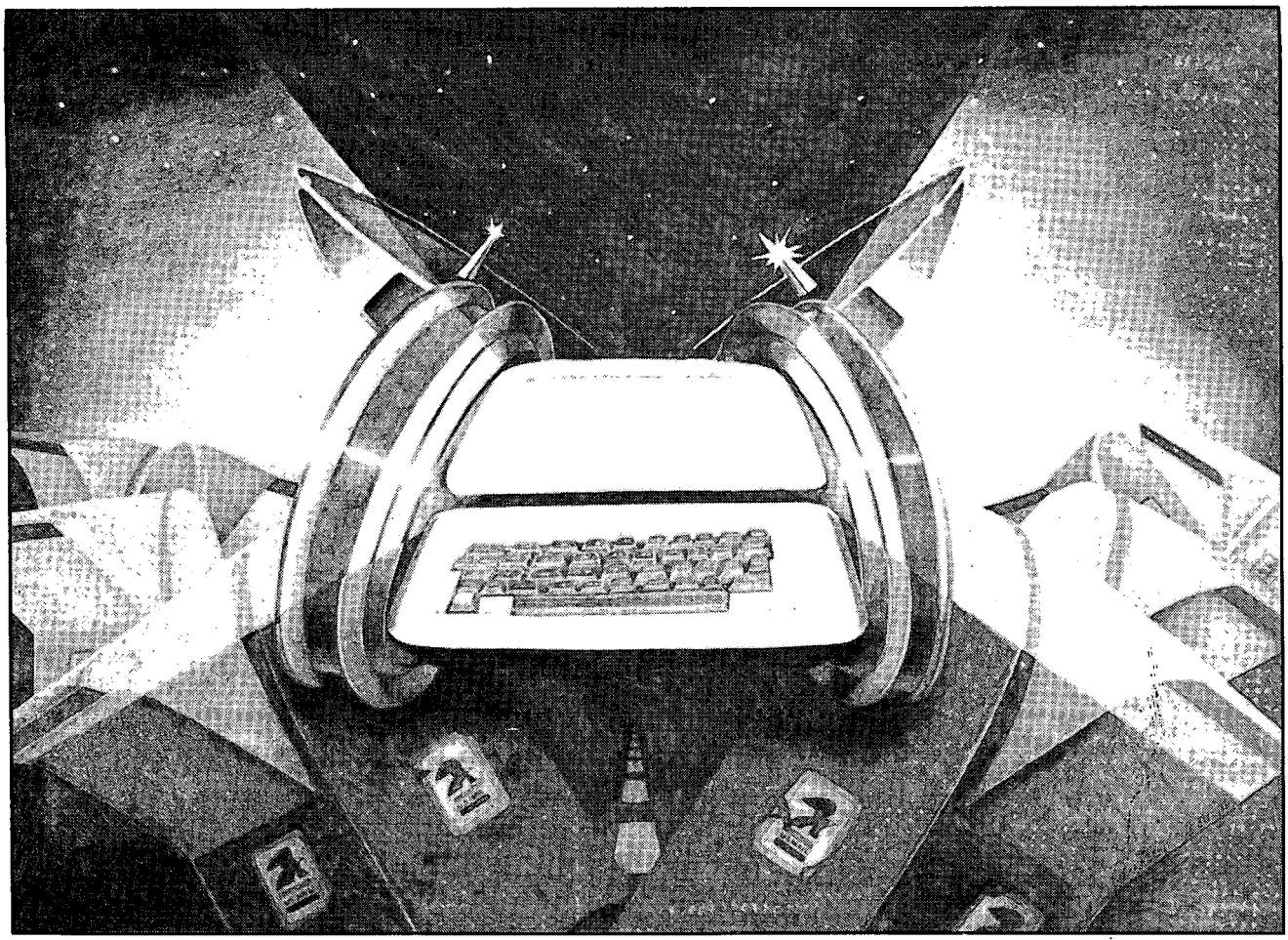
The Private Express Statutes defend the Postal Service's monopoly on the handling of first-class letters against the intrusions of free enterprise and competition. No other type of mail is so protected—not books, magazines, newspapers, bulk mail, nor parcels. The statutes are like a crocodile-infested moat, behind which the Postal Service has labored feverishly to shore up the moldering walls of its once-invincible castle.

Formidable foes are fighting to dry up the guardian moat. Among them is Congressman Philip Crane, who testified before the Senate Post Office and Civil Service Committee: "Full-fledged competition with the Postal Service is effectively prohibited, and that is the problem. Without competition, there is no incentive to improve, to cut costs, to provide better service, to innovate, and ultimately to satisfy the postal consumer."

Added Crane, citing the earlier conclusions of the President's Council on Wage and Price Stability, "Permitting competition to the Postal Service's first-class service probably would result in significant benefits to the economy and to the mail user." Crane concluded: "In short, more and more people here and elsewhere, frustrated by rising postal costs and declining postal service, are looking for alternative ways of providing the desired service at an affordable price. If the operation set up by the government cannot or will not do the job, then it stands to reason that private enterprise should be given a chance."

MONOPOLY TRADITION

Give private enterprise a chance? Absolutely unprecedented, say postal authorities. Charles D. Hawley of the Postal Service's Legal Affairs Office invokes tradition: "The Statutes have been part of American law in one form or another since the Articles of Confederation. They protect against the loss of revenues that could be anticipated if the Postal Service had to compete for the delivery of letters



with private firms which do not provide the comprehensive nationwide service that, as a matter of law, is required of the Postal Service at generally uniform rates." Actually, the history of government monopoly over the mails goes back even further than Hawley claims.

The US postal monopoly springs from early European monarchy, where sovereigns, for military and security reasons, maintained exclusive government handling of the mails to ensure delivery of their own communications and control over everyone else's. England exported this practice to the American colonies. In 1692, William and Mary granted Thomas Neale a royal patent for exclusive carriage of letters.

As the nonunited states of colonial America unified against the British throne, the Continental Congress felt a need for a well-controlled postal monopoly in order to carry out its revolution. So "by the time John Hancock, with a flourish, set his hand to the Declaration of Independence, the tradition of a government monopoly over the carriage of correspondence was well-established in the lives of the people" (as pointed out in a 1973 report to the Post Office and Civil Service Committee). The Articles of Confederation codified this practice by granting "sole and exclusive powers" to the Congress.

The federal Constitution, however, said nothing about a monopoly. Article I decreed: "The Congress shall have Power to establish Post Offices and Post Roads." But Congress bolstered its power by passing the Private Express Statutes in 1792. With various revisions and clarifications they remain to this day the bastion of the postal palace—a palace that endures steady siege.

Give private enterprise a chance?—Absolutely unprecedented, say postal authorities.

INEFFICIENCY

Besides the fury and frustrations documented in individual recollections of a lost letter here, a delayed delivery there, or the payment that never arrived, there are ongoing revelations of financial mismanagement, operational inefficiency, and an absence of intelligent, long-term planning. Such a revelation appeared recently in one of Jack Anderson's *Washington Post* columns, entitled "Bulk Mail Center: Automated Nightmare."

The Postal Service, notes Anderson, spent a billion dollars on 21 automated bulk mail centers to speed the processing of parcels and other non-first-class mail, thus saving the Postal Service in the neighborhood of $300 million dollars a year. But woe unto the customer whose parcel drops on those conveyor belts! "Packages that get jammed in the automatic conveyors are ripped apart. Attempts are made to patch them up, but the many Humpty Dumpty irreparables end up in a parcel graveyard—a room designated 'loose in the mail,' off-limits to all but a few employees. Our reporter got inside for a look around, and found thousands of items from books to homemade Christmas presents. There were so many books that they had been arranged by topic on metal shelves.

"When the 'loose in the mail' room is full, the items are moved to a depository

ILLUSTRATION BY CHRIS BRENNAN

in Washington, where they're auctioned off to the public."

Mr. Anderson adds: "Nor is there any evidence that the bulk mail system saves time. A package en route from El Paso to Midland, Tex., for example, is sent 1,483 miles out of the way to be processed by a bulk mail center." He also points out that the $300 million projected savings has been revised downward to $40 million. And George Gould, staff director of the House Postal Subcommittee, claims that the centers are actually losing money.

Give free enterprise a chance? The opportunity arose nine years ago, but it wasn't taken up.

Citing the Chicago Post Office's disastrous breakdown and shutdown during the Christmas crunch of 1966 as the pre-

cipitating event, then-Postmaster General Larry O'Brien, embarrassed at having to borrow about $30 million to repair damages, called for a commission to study complete postal reorganization. President Johnson appointed Frederick R. Kappel to head that commission, which concluded that too much politics was the problem and that the Post Office should be run as a business, eventually to stand on its own fiscal feet, and not as a governmentally controlled and subsidized agency. The result was the Postal Reorganization Act of 1970. Like most sweeping governmental reforms, the first major stroke was a name change—from the creaky-toned "Post Office" to the space-aged "United States Postal Service."

NO PROFIT

The USPS is set up somewhat like a corporation: The president of the United States appoints nine governors, who appoint the postmaster general, who along with the governors appoints the deputy postmaster general. Together, they make up the Board of Governors. The board is comparable to, though not identical to, the board of directors of a corporation, and the postmaster general and his deputy are the chief operating officers. Under the governors is the Postal Rates Commission, which recommends rate changes to the governors after a lengthy, competitive, and judicial-like process.

All this was touted as ensuring the least possible political interference in moving the mails. Looked at another way, it meant the pressure was off the president and Congress to ensure effective mail service. This was a Postal Service based on the American model of efficiency, excellence, and innovation: the corporation. But it lacked an important key element: the profit motive. For the Kappel Commision had recommended maintaining the Private Express Statutes. And so they remained. And so private enterprise was kept at bay.

In May 1973, the first chairman of the Board of Governors, the same Frederick R. Kappel, proclaimed triumphantly to the Subcommittee on Postal Service, "We have been in business a year and a half now, and no one gives any thought to any man's politics on that Board of Governors today. We are dedicated to the business of running the Postal Service." During the Christmas season of 1974, the Chicago Post Office repeated its 1966 performance and broke down. Of course, it had only been four years since the great reorganization, and perhaps that wasn't enough time to reverse postal problems.

Nor, apparently, was six years. In 1976, M. A. Wright, new chairman of the Board of Governors, went before the congressional committee and bragged of fewer personnel, greater efficiencies, and good marks from the General Accounting Office in quality of mail service, reasonableness of rates, and quality of compensation and working conditions. He also, though, requested a billion-dollar bail-out from Congress because of inordinate delays in rate increases and double-digit inflation. Congress came through, rescuing the Postal Service and essentially giving up any hope of a deficit-free postal organization.

TIME FOR COMPETITION?

How about seven years? A January 1977 report by the US Department of Justice, *Changing the Private Express Laws*, concluded: "Given the tremendous problems that now confront the Postal Service, it is not irresponsible to argue that things are now so bad that any change can only be for the better."

Or eight years? A study published by the American Conservative Union's Education and Research Institute in September 1978 asserted: "Observers of all persuasions agree that the Postal Reorganization Act has been a failure. The two main goals of the act—efficient management and self-sufficiency—remain unachieved."

Could it be that Congressman Crane and those who agree with him are right? Could it be that former chairman of the Postal Rate Commission John Ryan was correct when he said, "The only solution to the problem of adequate mail service is competition and is to do away with the Private Express Statutes?" Is it an idea whose time, long overdue, has come?

No, no, and no are three responses by current Postmaster General William F. Bolger on three occasions when he confronted these questions. On the October 20, 1978, edition of the "MacNeil/Lehrer Report" on public television, the postmaster general declared: "I think we're trying to protect the interests of the American public in saying that this monopoly has to be continued." In a November speech before the National Newspaper Association, Bolger affirmed: "If we should lose our monopoly, it will mean the demise of the postal system as you have known it." In a December speech before the National Press Club, he reiterated: "Should our monopoly be broken or even weakened, it will be a tragedy that will cost this country its universal postal system."

Title 39 of the US Code provides that "the Postal Service shall have as its basic function the obligation to provide postal services to bind the nation together through the personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal service to all communities." The rule also requires that the rate for each class of mail "shall be uniform throughout the United States, its territories, and possessions."

First-class mail is the bulwark of the postal system. It accounts for 60 percent

of the approximately 97 billion pieces of mail that the service will handle this year and is the source of close to 70 percent of postal revenues. Not all first-class mail falls under the statutes, which pertain solely to letters; but most does. In fact, delivery services and customers alike often complain of the ever-broadening postal interpretation of the term *letters.*

FIRST-CLASS CREAM

"The problem is," says Postal Service attorney Jerry Belenker, "that the costs of delivering any given letter vary. It may go from downtown Manhattan to downtown Manhattan; that's relatively cheap. It may go across the country. To maintain the nationwide system, you have overhead in terms of transportation systems, contracts with airlines, etc. You have stations, branches, and you have huge overhead that has to be apportioned among all the pieces of mail—not only letters, to be sure, but among all the pieces of mail—without regard to the fact that, at any instance of delivery, from a business point of view, you are making a profit or losing your shirt. I don't know of any other business that can reject nobody. We can't make a determination that your business is good for us, because we're a public service, and we don't deal with the point of whether we make money."

Repealing the Private Express Statutes would mean the loss of a substantial portion of the already indebted and subsidized Postal Service's income without an attendant diminution of costs and overhead, according to Postal officials. And that, they say, is unfair "cream skimming."

The cream-skimming complaint relies on the reality that areas of dense population and business and banking concerns, such as metropolitan cities, provide the greatest revenues at the lowest per capita handling costs, whereas sparsely populated and widely separated areas, such as rural towns, provide the lowest revenues at the highest per capita handling costs. The Postal Service fears that private competitors would voraciously devour the high-income, low-overhead cream and leave the curds and out-of-the-way locations for the USPS, robbing it of the finances it needs to carry out its congressionally mandated requirements and all manner of investigative, legal, and customer services.

In 1973, McKinsey and Company, commissioned by the USPS and using its statistics, studied the cream-skimming argument. Their results supported the USPS position with three principal findings. First, "Local mail involving business transactions appears to be the most attractive market segment for potential cream-skimming competition to the Postal Service for reasons of operating simplicity and low processing cost." Second, "Cream skimming enterprises could be highly attractive to entrepreneurs." Finally, "Cream skimmers would divert substantial First Class mail volume from the Postal Service."

The McKinsey analysis indicated that the Postal Service could lose about 4.7 billion pieces and about $420 million in revenues annually. Those figures would be considerably higher today, of course. With this argument, USPS lawyers squash would-be competitors in the courts. The judges always buy the argument.

AP

J. Paul and Patricia Brennan, by their competitor's trucks

Masticated au flambé in the jaws of the Private Express Statutes

CREAM SKIMMING

Economists, though, point out that cream skimming—in spite of its pejorative connotation—can be great for consumers. Established suppliers accuse entrepreneurs of siphoning off the most profitable business, but to get that business they have to be charging a lower price, offering better service, or both. Thus, notes John Haldi of the American Enterprise Institute: "In a competitive market, cream skimmers are the good guys who protect consumer interests by keeping other suppliers honest."

The USPS, of course, is required by law to provide services at a loss—such as maintaining post offices in little towns all across the country, or providing lower rates to tax-exempt organizations—and that's why it needs all of its first-class revenue, say USPS defenders. And, notes economist Alan Reynolds in the *Harvard Business Review* ("A Kind Word for 'Cream Skimming,'" Nov.-Dec. 1974), "there is an element of plausibility in [the] assertion that high prices are needed to offset low ones" whenever a company "is compelled by the state to engage in activities that are not economically justifiable."

But this USPS defense still doesn't ring true because, as Reynolds goes on to point out, the USPS loses a lot of money where it wouldn't have to. It makes money *only* on first-class services, whereas private carriers, he notes, have entered the third- and fourth-class (and now second-class) markets, undercut the USPS's "supposedly unprofitable" rates, and made money. Concludes Reynolds: "The fact that competitors can profit from a service that is unprofitable for the tax-exempt and subsidized USPS suggests that the USPS may simply be inefficient. If so, the monopoly rates on first-class mail actually subsidize inefficiency; this seems, at best, a dubious policy objective."

In fact, the Postal Reorganization Act

leaves no room for cries against cream skimming. It requires that each class of mail pay its own way and contribute some to institutional, fixed costs. The act specifically precludes subsidization of any class of mail by another. Few outside the Postal Service believe that this requirement is being observed.

A 1977 study by the Department of Commerce reported: "It is widely accepted that first-class mail subsidizes other classes." The report went on to cite the 1974-75 postal rate-increase hearings at which Chief Administrative Judge Seymour Wenner had recommended that the first-class postage rate be reduced from 10 cents to 8½ cents per ounce "to bring rates more in line with costs." The judge had condemned the Postal Service management for failing to carry out the directives of an earlier appeals court to correct the improper attribution of costs to various types of mail. Judge Wenner had argued that "the rate increases proposed for first-class perpetuate this allegedly illegal procedure," said the Commerce Department study. "He obviously felt that first-class-mail users bear an unfair share of the overall Postal Service costs." Despite Judge Wenner's admonitions, the price of a first-class stamp rose from 10 cents to 13 cents.

The Postal Service argues that its rate-making procedures are more competitive than if rates were arrived at in a free marketplace. In the last rate-increase hearings, more than 50 parties participated. There was a discovery process at which Postal Service witnesses had to answer over a thousand questions. There were cross-examinations and days of hearings, briefings, and oral arguments. In addition, the Postal Rate Commission has an officer—with a staff of lawyers, statisticians, and economists—whose sole purpose is to represent the public interest.

Nevertheless, rates have continued to rise to the present level of 15 cents and would probably have gone higher if the postmaster general hadn't determined that the rates were about as high as the public would stand at present. (He has promised — cross-his-heart-and-hope-to-die—no increase until at least 1981.) Given the usual excuses of higher labor costs, sky-rocketing fuel costs, and inflation, could true competition have averted the price increase? It did in fourth-class mail.

The Constitution said nothing about a postal monopoly.

HOW TO PUSH RATES DOWN

Sitting complacently behind its protective statutes and its government subsidies, the old Post Office and the early Postal Service fiddled while United Parcel Service burned off 70 percent of the fourth-class parcel post business. It wasn't hard to lose. UPS undercuts USPS rates in most cases. It delivers nationwide and its rates are uniform based on weight and distance traveled with no added financial burden to rural recipients. UPS has a record of faster service, less breakage, and fewer losses. Its employees are well-paid, share in profits, and have a lucrative benefits package. It makes a profit every year and has cost the Postal Service a substantial portion of its operating revenues. So competitive is UPS that government agencies like the IRS and the Government Printing Office have begun diverting some of their business from the Postal Service to UPS.

How is the Postal Service reacting? Does it lobby for broader statutory control of the market? No.

According to the *Washington Post,* Postmaster General Bolger announced on February 13 that the USPS is liberalizing its Parcel Post system to compete more evenly with UPS. Among its changes is a *cut* in bulk mail and parcel post rates.

In another article, the *Post* reported that, faced with the loss of congressional subsidies for delivery of newspapers and seeing increasing competition in delivery of magazines, books, and records, the Postal Service announced it is in the process of changing up to 75 regulations regarding bulk mail delivery in order to make it more attractive to potential customers. Said Bolger: "There are literally hundreds of other regulations that we are scrutinizing. Many of these date from the beginning of this century and bear no relationship to the way the Postal Service and its customers today do business."

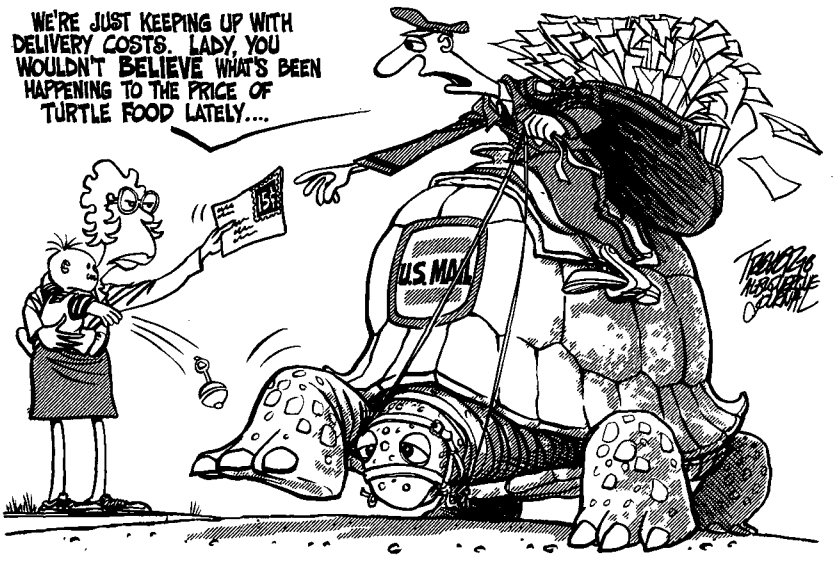
What stunning revelation finally enlightened the Postal Service? Why is it now examining and updating century-old regulations? What caused it to join the new age? The answer is obviously competition, and not just from companies like UPS.

ELECTRONIC COMPETITION

The ultimate challenge to the sanctity of the Postal Service is sure to come from the modern communications era in general. An example is electronic funds transfer already in operation in banks across the country. Someday, most financial transactions will be done by telephone or similar electronic media. Estimates have it that approximately 60 percent of all letter mail involves financial transactions: bills sent, payments submitted. So the Postal Service of the not-too-distant future stands to lose up to 60 percent of its protected monopoly unless it either gets into the electronic transfer business or somehow broadens the interpretation of "letters" to include some tangible moment in the electronics process.

As far-fetched as that may sound, Kenneth Robinson, an attorney for the Antitrust Division of the Department of Justice points out: "the term letter has been interpreted to include, for example, payroll checks, fishing licenses, Mickey

(*Continued on p. 33.*)


WE'RE JUST KEEPING UP WITH DELIVERY COSTS. LADY, YOU WOULDN'T BELIEVE WHAT'S BEEN HAPPENING TO THE PRICE OF TURTLE FOOD LATELY....
15¢
U.S. MAIL

ALIENATION:

Was Marx right?

by
Tibor Machan

IMAGINE, IF YOU WILL, someone laboring away on a flower pot, designing it carefully, making it in a shop somewhere in a basement, then taking it to the market to be sold by a merchant to a buyer who'll give it as a wedding present to a friend. As the purchase is made, it is hardly likely that the seller or the buyer will pay much attention to the history of the flower pot's production. The buyer wants something that will serve as a charming enough gift. The happy couple, in turn, will open the box containing the pot, exclaim with a few oohs and ahs, and shortly the pot will join a dozen other gifts on some shelf.

Has the pot maker's labor been appreciated? Have those who exchanged and eventually received the item treated it with the regard such labors should be granted? The merchant and the purchaser gave little or no thought to the pot maker's labors, treating the pot as one among many commodities, while the couple, of course, gave no thought to what went into making it.

WORKING HUMANS

This is what Karl Marx had in mind when he talked about alienation. Roughly put, Marx believed that alienation arises when an individual worker is divorced from his distinctive human nature, or essence. For Marx, the defining characteristic of human beings is that they are conscious producers—workers with conscious plans triggered by economic factors in their society. And he believed that the failure to take into account the personal element of production in market transactions precipitates widespread alienation in any society where buying and selling occurs.

This was one of his objections to capitalist economic systems. People who buy goods and services disregard the essentially human, personal element of what they are obtaining. In focusing on the result—the commodity or service—they forget about the *process* of work. Goods and services are thus objectified, dehumanized, depersonalized, creating a gulf between workers and their nature as conscious producers. And so Marx charged capitalism with widespread alienation of the producing class, the workers or laborers.

Now we all know plenty of unalienated workers—flowerpot makers and workers of all stripes who claim to have their essential humanity well intact and to enjoy their work in the context of a market economy. Doesn't this prove that Marx didn't have the facts straight?

Marxists will answer that such producers suffer from false consciousness, a deluded belief that they are treated humanely. This false consciousness is created, the Marxists will continue, by the market economy itself; indeed, it is a symptom of alienation. Neo-Marxists such as C. Wright Mills and Herbert Marcuse add to this the contention that a concerted conspiracy is afoot within modern capitalist societies to manipulate the working class into thinking that they are treated humanely. Advertising, for example, creates shallow desires and, because these can be satisfied within a market economy, deludes workers into thinking they are well-off.

Today, the theme of the inherently alienating character of capitalism has many variations, heard way beyond Marxist and neo-Marxist circles. Contemporary critics of technology extend the idea when they charge technology with giving us all the impression that we have control over our lives, whereas in fact technocrats have manipulated us so that we are deluded about this. From left and right alike, critics of capitalism and the system's productive capacity aim to convince us that the things we think are of value to us—kitchen gadgets, car accessories, office machinery, etc.—appear to be of value only because we have been taken in by the business folks and bankers whose thriving is entirely parasitic upon our deluded satisfaction with what they sell us. Such critics, who on this count are joined by Alexander Solzhenitsyn, complain that we in the industrialized West are too materialistic. We are too much concerned with things in the marketplace and too little concerned with intangible goods that distinguish human beings from other creatures.

ECONOMIC MAN

But the question needs to be confronted at its heart: Must the free society, with its market economy, be alienating?

It would be silly to deny that in a free society alienation is a distinct possibility. And this doesn't depend on Marx's definition of human beings as conscious producers. In a free society it is possible to subvert one's humanity whatever that must ultimately amount to—conscious producer, divinely inspired beast, or rational animal.

But suppose for the moment that one's essential humanity would be undermined by becoming what the Canadian Marxist C. B. Macpherson calls a possessive individualist—someone entirely immersed in attempting to obtain gratification through the possession of material things or pleasures. Even so, it is all wrong to maintain that in free societies this sort of life will be widely cherished. Single-minded possessiveness *is* possible in a free society, but that it is necessary, even very probable, is extremely doubtful.

Marx, it bears recalling, was committed to economic determinism when he developed his mature theory about alienation. He believed that one's actions,

and even one's thought processes, are entirely dictated by the economic aspects of whatever society one lives in. Thus, in a society where the economics of a free market prevail, one's personal life must become subordinate to market factors. And although Engels tried to deny it later, Marxist theory just does not hang together once economic determinism is lifted from it.

So the first point to be made about Marx's view of alienation is that this determinism is ultimately inconsistent with the possibility of any theoretical activity such as Marx engaged in. He appeared to be quite aware of this, since he exempted himself from the all-embracing economic determinism the rest of us are supposedly subject to!

PRIDE AND CREATIVITY

But Marx also forgot about the capacity to keep on oneself a perspective different from that which others hold. A worker, for example, could keep in clear focus his full human nature even as the rest of those involved in trading his product forget about the producer. In short, producers can have personal pride in their work and can easily do without the audience Marx believed everyone requires to keep one's humanity in clear view. Marx, however, being fundamentally an altruist (as is clear in all of his writings, starting with letters to his father from high school), refused to give personal pride a serious place in his human psychology.

Marx's idea of alienation also encounters the problem that conscious material production is not what is distinctive about human beings. A historical/dialectical *materialist*, Marx closed his eyes to the fact that human nature is only partially characterized by productivity (and not necessarily material productivity, at that). Of course, without material production one would neglect some essential features of one's humanity—one's physical, chemical, biological existence. But there is more to human life. The formation of ideas, learning, understanding, artistic creativity and appreciation, emotional exaltation, and so forth all constitute equally important features of human living. And only by a materialist prejudice can all these be subsumed under material production. Since social life involves all of these in one form or another, a correct conception of human nature must make room for education, the arts and sciences, friendship, and a family life *as well as* commerce.

Since conscious material production is not *the* distinctively human characteristic, there is ample opportunity for involvement with the world on other than commercial levels, even while engaged mainly in material labor or the exchange of its product. To regard human beings as incapable of widening the scope of their involvement with one another beyond the narrow material dimensions of some action is unjustifiably pessimistic.

Finally, the Marxist theory of alienation is insulting to workers. Most people do material, even menial, labor at some time in their lives. I was a boxcart packer for a year. And a shipping clerk another, where all I did was pack and mail machinery. And a welder another. I didn't know I would advance past this point in my life, although I never failed to make plans. But quite apart from any long-range hopes, I never failed to create opportunities on the job to make the most of my work.

Marx refused to give personal pride a serious place in his human psychology.

Those for whom I worked—with whom I engaged in market exchange—"merely" wanted the result of what I did, such as neatly packed boxcarts. Yet every day, every hour, I'd improve my packing, eventually learning to throw boxes, with precision, from several yards. In all my jobs as a laborer and more and more skilled worker, I found ample opportunity to improve my work and come up with a better product, and I found the opportunity to discover what I wanted to specialize in, what suited me well.

Many, many people could tell very similar stories. This shows clearly enough that selling one's labor to those who have no personal interest in it—as the economic system of capitalism requires—need not engender alienation for those involved.

No doubt some people stagnate in the sort of labor that does not suit them or box themselves into routine and boring work. But this does not at all reflect badly on the marketplace itself, unless one is a utopian like Marx who could not accept the fact that individuals *might* botch up their lives on their own, that such failure does not require some metaphysical explanation and, in turn, some revolutionary remedy.

Let us simply admit it: if individuals in a free marketplace are alienated, the problem is usually of their own making, not the result of the inherently alienating features of the system—contrary to what Marx and many conscious and unconscious followers would have us believe. □

Tibor Machan is a senior editor of REASON *and the author of* Human Rights and Human Liberties. *As a philosophy professor specializing in political theory, he often teaches Marxist theory to undergraduate students.*

Coming Next Month:

It looks like a controversy over tall trees; it's really much more. In the October issue C.R. Batten gets to the people and the thinking behind the fight to expand California's Redwood National Park, and he turns up a controversy over who should own the land and the resources in this country. Michael McMenamin and City Councilman Earle Turner cast a baleful eye on the populism of Cleveland's mayor Dennis Kucinich. Controversial anarcho-communist Murray Bookchin talks to our interviewer about government, the Libertarian Party, the left, utopianism, Ayn Rand, and the evolution of his own ideas. Romanian émigré Juliana Geran Pilon warns of some ominous developments for Soviet psychiatry. And Eric Way offers another story about financial fiddling in high places. Plus Jim Davidson's Viewpoint, Mark Tier's Money, book reviews, movie reviews, and all the rest of REASON's regular features.

Sampson

(Continued from p. 30.)

Mouse posters, San Francisco Forty-Niner tickets, punch cards, blueprints, data processing tapes, computer programs, credit cards, boxes of merchandise with advertising enclosed, intra-company writings—in short, as one district court ruling recently suggested, 'anything properly transmittable' through the US Postal Service mail system."

The Postmaster General has repeatedly denied that the Postal letter monopoly would ever encompass electronic communications. He seems confident that it can depend on at least 70 billion pieces of hand mail each year. He indicates that the Postal Service is moving into the electronic transmission business and is experimenting with Communications Satellite Corporation of America (COMSAT) in something called INTELPOST, a sort of long-distance mixture of telegram and facsimile via satellite. Bolger also believes that the Postal Service has at least 10 or 20 years to gear up for the electronic transmission business. But what if changes occur more rapidly than expected? Will the Postal Service again raise the drawbridge and deepen the moat?

Safely behind the Private Express Statutes, the Postal Service can afford to watch and wait for a sign from above. Without the statutes, it would be forced to get with the times and plan in earnest to avoid a future catastrophe.

POLITICAL HOT POTATO

But would it really be catastrophic for the Postal Service to diminish its scope and relinquish some of its holdings? It would according to the American Postal Workers Union and the National Association of Letter Carriers, who themselves went to court in 1972 to defend their monopoly against a private intruder. The salient aspect of *National Association of Letter Carriers* v. *Independent Postal System of America, Inc.*, was not that printed Christmas salutations were considered letters but that the union, empowered by the Postal Reorganization Act, went to court to protect the monopoly.

The union's stake is over 650,000 permanent positions paid so well above the norm that the quit rate for postal workers is significantly below comparable positions in related fields. In addition, the current contract contains a no-lay-off clause for those currently employed.

Specific and urgent requirements of some industries have forced the Postal Service to grant exceptions, exclusions, and suspensions to the statutes in areas such as time-sensitive and similar materials where it simply couldn't do the job itself. But such exemptions are slow in coming and begrudgingly granted. Mail express companies are kept well in check, and their customers still have to pay postage in addition to courier charges. Repeal of the statutes would allow companies specially equipped to provide their services at the lowest costs. Despite vocal consternation at the vagaries, interpretations, and enforcement of the statutes, courier Lilliputians are not anxious to challenge the postal giant for fear of retaliatory sanctions.

Without the Private Express Statutes, the Postal Service would be forced to get with the times.

Where do the White House and the Congress stand on this issue? Apparently, as far away as possible. Mike Causey's January 24 "Federal Diary" column in the *Washington Post* would be amusing if it were not so telling: "Five of the cushiest jobs in federaldom are still standing vacant. Some have been unoccupied for several years. They are members of the US Postal Service's Board of Governors." In addition, the Postal Rate Commission is missing three of its five members.

May one infer that the president is not interested enough to fill five vacancies on the ruling body of the Postal Service? House Postal Subcommittee Staff Director George Gould blames it on the inexperience of the administration, claiming it is still learning. But the fact is that, since the postmaster general was removed from the Cabinet under the Reorganization Act, presidents have scrupulously avoided dealing with that all-American institutional whipping boy.

The House Post Office and Civil Service Committee, once a political plum, has turned into a revolving door since it stopped setting postal and federal pay raises and guarding postal patronage and prices. So much so that Mike Causey was moved to write on January 31: "Some members feel that association with the committee, even as a tough tail-kicker, is politically dangerous." He adds, "The Democratic leadership must resort to the draft to get a full complement for this session of Congress."

The Congress, then, is not likely to open the political pandora's box that repeal of the statutes would certainly provide—especially with large-scale mailers relying on discounts subsidized by the higher, regular first-class rates. Then, too, there's the congressional franking privilege.

PRIVATIZATION PLAN

Practically every independent study of the Private Express Statutes sees their demise as potentially beneficial. But almost all stop short of recommending repeal and conclude instead that the issue should be studied more carefully. The rationale is lack of enough statistical information to justify so momentous a change (never mind the historical record of this country's free marketplace). Any thorough study would require crossing the moat and entering the castle before the drawbridge goes up. But the Postal Service is more amenable to sending out an emissary or two with its version of the accounts. And when a judge in a rate case once asked for a better accounting, the Postal Rate Commission simply overruled him.

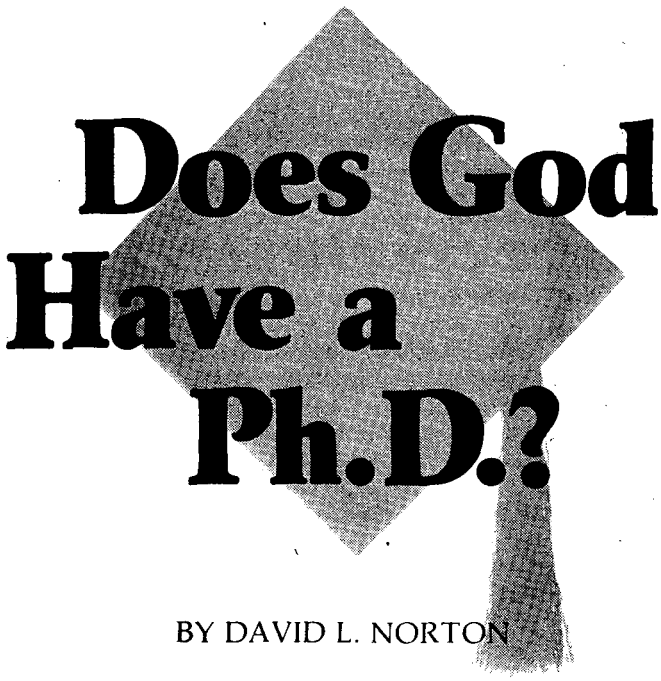
The only way to visualize clearly the results of repealing the Private Express Statutes is for Congress to announce that in so many years, say by 1984, the statutes will be phased out (1984, by the way, is the year the Postal Service was to become totally self-sufficient). This would force USPS to adjust and give it time to do so. Private carriers could gear up for action, and postal unions could varnish their bargaining tables.

It is quite possible that the Postal Service would look different after such a change. It might shrink some, diversify, or merge with another government service organization. But any predictions that free enterprise would destroy America's hard-copy communications system seem unfounded. In fact, a study of the postmaster general's speeches, coupled with recent postal developments, indicates that competition makes the Postal Service better, not worse.

Will Americans get the faster, more efficient communications delivery services they could be getting? Legislators should consider that the important issue is not the survival of the Postal Service but the survival and enhancement of postal *service*. Castles and crocodile-infested moats went out with the Middle Ages. ◻

Jeff Sampson is a free-lance writer. His work on this article was supported by the Fund for Objective News Reporting, a tax-exempt foundation whose purpose is to promote the values of limited government and individual liberty.

Does God Have a Ph.D.?



BY DAVID L. NORTON

WHAT MAD PIPER'S TUNE annually lures a staggering swarm of students to college campuses across the land? And what, in the name of all that is holy, are educators going to do with them?

The source of the piper's tune that brings youth running from everywhere is academia herself. She has persuaded the land that God holds a Ph.D. According to Aristotle, God is a "thinking about thinking"—an inflated philosopher—which drew Bertrand Russell's comment that if cows theologized their god would be shaped as an enormous cow. And if we listen to academicians, God holds a Ph.D. and salvation lies in emulating him as much as personal limitations allow—doctorate, master's, or at least the B.A. By this parochial theology our nation has been wooed and hugely won. Every parent of every child expects for him a college degree—from a "better" college, heaven willing.

But the piper is mad and the tune a perpetrator of mischief. It propels large numbers of our young people into four years of a narrow life, an artificial life, which for many of them is a waste of time, and worse—a contradiction of their personal destinies. Yet the solution is not to renounce but to redirect education.

That American education is in a sorry state is admitted by every educator in the country, and often in print. But the problems that are cited are resolutely superficial, as are the recommendations—witness Daniel Bell's *The Reforming of General Education*, which pokes primly at the crisis, hastily covers the holes it has made, and ends by recommending revision of the "Contemporary Civilization A" course at Columbia. By this sort of tinkering, we are in the position of men tending a rose garden in the midst of an earthquake.

A college degree is not everyone's destiny, but there are other ways to become well-educated.

EDUCATION EN MASSE

The fundamental crisis that goes largely unacknowledged is this: true learning and large numbers are incompatible. Since the Second World War, numbers of college students have multiplied drastically. Daniel Bell describes classes of 300 to 600 at some of our most distinguished universities. By comparison, my class of 130 at the University of Delaware appears small, and it diminishes further alongside figures we see daily in our newspapers—of the number of currently jobless, for instance. But, if we recognize that my figure of 130 stands for a collection of complex human individuals, the pedagogical impossibility begins to appear.

The corrosion of learning that results from oversize classes is evident to every teacher. When my class enrollment reaches 150, I shall no longer be able to grade student work myself but will be forced to turn this over to a "grader." The grader will be a graduate student, unsure at grading, unadept with my subject matter, and hard-pressed by his own academic work. He cannot possibly do an adequate job. Moreover, the students in my course want to be graded by me; they regard the use of the assistant as a move toward indifference, and their sense of the meaningfulness of their grade declines accordingly. Here is where the question of *relevance* enters. How can my teaching be relevant to them when in this situation I shall scarcely know them?

But the use of graders is merely one of many moves toward self-preservation into which we are pushed by numbers. Under Harvard's "great man" approach, the distinguished teacher merely lectures once a week to 200 or 300 students and is otherwise unavailable. "The course is thus a pyramidal hierarchy in which the student, at the base, has no direct contact with the 'great man' other than through the mediation of the section man," comments Daniel Bell. (It is tempting to call this the *priestly* approach to learning, the section man mediating between the supplicants and the divinity.)

KNOW THY STUDENT

Learning and large numbers simply cannot get along together. To make the point more forceful, I call upon Socratic method. This move is certain to provoke cries of irrelevance from my colleagues, and clearly they are right—Socratic method *is* irrelevant to teaching *en masse*. But the problem is the inverse of what they

PHOTO BY KELLEY DWYER

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suppose. It is not that Socratic method is irrelevant to today's teaching conditions but that today's teaching conditions are irrelevant to education.

In one of the soundest educational observations ever made, Socrates said in *The Sophist* that the teacher must begin by ridding the student of the "spirit of conceit." What this means is that, on any proposed theme of learning, the great impediment consists of what the student thinks he already knows. Such is the case with a course I teach in beginning philosophy of religion. Such key concepts as "God," "piety," "faith," "salvation," and "transcendence" have wholly diverse meanings within Buddhism, Taoism, Greek humanism, Judaism. Unless careful attention is given to the student who is a nominal Christian, for example, he will impose his own meanings for these terms and Christianize the field, never coming to understand *alternative* meanings.

Socrates divested his students of the spirit of conceit by *dialectic*. On a given theme—justice, for instance—he began by patiently drawing from the student everything the student had to offer about the matter and subjecting these offerings to careful scrutiny. For the most part, these offerings will not stand up for the reason that the student has never thought about them before; he has *presupposed* them. *Only by eliminating these presuppositions is room made for the discovery of alternative meanings.* And alternative meanings afford choice and freedom, which I take to be the purpose of liberal education.

The principle here is clear: *to teach them, you must first know them* (to which I want to add: *and they must know you*). Lacking this, only the pretense of education can occur.

A similar insight comes to us from India. Within Hindu doctrine, personal growth is seen to be a succession of distinct stages. We may call them "childhood," "preadolescence," "adolescence," "preadulthood," and so on. Each stage is different from the others: each has its own distinctive meanings for key concepts such as freedom, justice, love; each stage has its special obligations and values. Furthermore, the height of Hindu wisdom is reflected in the understanding that *no stage can be skipped*, but each must be "passed through intensely" if growth is to proceed.

And the guru? He must learn, by questioning and scrupulous attention, at what stage the prospective student now finds himself. For to misjudge this is fatal to education. To teach from a stage beyond the student's achievement is to render oneself unintelligible; to teach from a stage beneath his achievement is to arrest his development. The guru first discovers where the student is, then descends to that level to take him by the hand and lead him onward.

But in classes numbering hundreds of students, we can know nothing of individuals but their "level"—freshman, sophomore, etc. And this is of no use, for developmental and chronological ages do not coincide (think of the 40-year-old adolescents you have seen lately).

Teaching today is beset by many problems. But the problem of numbers far outweighs every other and calls for immediate and strenuous efforts toward its alleviation, for it precludes meaningful learning.

A DIABOLICAL MISTAKE

And why, after all, *should* so many students be flocking to our colleges and universities? If we cease to obediently celebrate academic study and take stock of it instead, it reveals itself to be an extremely narrow and hermetic endeavor. Studenthood perambulates within the tight confines of classroom, library, and dormitory. The regimen includes endless sitting, great stretches of solitude, and uncanny quiet. Outside lies a vast world of very different possibilities. While there are some of us to whom this regimen is fairly well suited, there are other temperaments to which it is wholly unnatural and unsuited, dull, distasteful, or metabolically impossible.

Quite so! And common sense should be enough to tell us that not everyone should be forced to endure academia any more than everyone should be a farmer or a mountaineer. There are personal destinies by scores for which academia is a diabolical mistake, a loss of integrity, a perversion. What is most urgently needed now is cultural recognition of this fact and cultural endorsement of alternatives to four years of college.

Here, a protesting chorus will cry with one voice, "But in this day and age a college degree is the ticket to every good job!" Even if this were still as true as it once was, *it ought not to be*. And this leads me to my proposal. It is empirically testable at little cost and, if proven workable, promises relief to our colleges and to great numbers of our youth for whom college is the equivalent of four years of penal servitude.

I propose that commerce, industry, and the professions together undertake to supplant college with their own apprenticeship programs. I am convinced that a college degree is an *impediment* for 80 percent of the jobs for which the degree is presently required—among them, sales and business administration; engineering; and many branches of the law, forestry, and geology; and many others. Moreover, I suggest that industry, commerce, and the professions currently give evidence of their knowledge of this fact.

PERSONAL NEED

Several years ago, McDonnell Aircraft Corporation in Saint Louis attacked Washington University, also of that city, for turning out engineering graduates who were of little use to the firm until they were extensively retrained. One executive said that McDonnell taught fledgling engineers more in six months than the university accomplished in four years.

There is sound educational reason for this. Students learn much faster and better when the need for the knowledge in question is viscerally, personally felt by the students themselves. But most learning in college is directed toward *hypothetical* needs. The student of civil engineering studies "Indeterminate Structures," not because he wants to cross a river on a safe bridge, but because his department chairman says he will need this knowledge in the future. Likewise, in the college chemistry laboratory, he is handed an "unknown" liquid which he is asked to identify by qualitative analysis. But the problem was not his until he entered the lab. He has been given it by someone else.

It follows that McDonnell can train its aircraft engineers much more efficiently than a university can, and we have the firm's word for it that it is required to do so. Very well, let McDonnell cease pressuring the university (this was unsuccessful anyway) and try a controlled experiment. Let McDonnell take a small band of high school graduates who want to become aeronautical engineers and apprentice them to its own departments. I suggest that there at the airport, amid the whine and bustle of its latest aircraft, in four years time it will produce twice the grade of engineer it now inherits from our universities.

I had an engineering degree from Washington University and five years practice as a civil engineer before I returned to school for my M.A. In the five years, I moved from designing highways to the design of small bridges, to small buildings, to multistory buildings. At no time in this course of development did I require more knowledge than was available to me by a combination of high school mathematics and the judgment of senior designers. Had I remained in the profession, I would probably have arrived at the need for differential equations and indeterminate structures (though many

(*Continued on p. 41.*)

BY ROBERT J. RINGER

VICTIMS OF BENEVOLENT AGGRESSION

The author of *Looking Out for #1* takes a fresh look at victimless crimes.

POLITICIANS ARE AWARE that the votes of many people can be won by promising to fulfill their expedient desires to impose their moral standards on others. Virtually all regulations concerned with promoting the general welfare are, in reality, attempts to impose the moral desires of certain individuals or groups on others.

Promoting the general welfare, then, translates into violating the natural rights of some people to satisfy the desires of others. Because, in reality, there is no such thing as "general" welfare; there is only individual welfare. And every individual should, and certainly has the natural right to, accept responsibility for his own welfare.

Remember, a free person is one who is "not under the control or power of another." Freedom, in other words, is self-control. To the degree that one is controlled by others, he is enslaved. People living in relatively free countries may find it offensive to be told that they are enslaved to some extent; but I believe it is just that sort of blind attitude toward reality that has allowed the American Dream slowly to disintegrate.

All laws, therefore, that do not involve protecting individuals from aggression are laws that give government unwarranted power and control over citizens. Such laws may be viewed as "victimless-crime laws." If there is no victim, there can be no crime.

People tend to think of victimless-crime laws as those laws prohibiting such things as "pornography," certain types of "drugs," various forms of consensual adult behavior regarding sex, and other obvious areas. But victimless-crime laws —laws governing actions that involve no victims—must, by definition, include not only laws which prohibit certain noncoercive acts by individuals but also laws which force people to *take* action against their will. Any control over a person's acting or *not* acting, other than to prevent him from aggressing against others, is unwarranted, since such action or nonaction does not harm anyone else.

The notion that someone is committing a crime because he does something to himself that others may believe to be immoral, self-endangering, or in some way harmful to him is ignorant, irrational, and insulting. What actually happens to the person who insists on doing things which the "law" says are harmful to him is that the government will make him a victim of *its* aggression. He has aggressed on no one, but government may choose to aggress on him.

But laws that force an individual to *take* action against his will are just as bad as those which *prevent* him from taking action. In fact, they are worse, because these laws, in reality, *make* victims of those they force to take such involuntary action.

In either of the above cases, *external control* is exercised, as opposed to *self-control*. And external control of human beings is slavery, no matter how one tries to dress it up with respectable-sounding words.

All "crimes" other than crimes of aggression (crimes of aggression being crimes such as rape, murder, theft, and fraud) must be categorized as victimless crimes. Whether laws keep you from exercising your will to do things you desire to do or force you to enter into situations against your will, they have one thing in common: they imply that the government, rather than you, owns your life.

COMPULSORY VICTIMLESS-CRIME LAWS

"Compulsory" victimless-crime laws are laws that force you to do certain things against your will. Can a man be defined as free if others can force him to do things involuntarily?

The Draft. No matter what name one ascribes to it, when a person is compelled to spend part of his life training for the military or, worse, risking his life in combat, he is a victim of involuntary servitude. The Selective Service System is a travesty of human rights. One may preach endlessly about the "duty to defend one's country," but the fact remains that conscription is slavery.

While enslavement can be made to seem respectable by the use of terms like "military duty" and "serving in the armed forces," words do not affect Natural Law; no one has the right to take a peaceable citizen away from his family and put him into a kill-or-be-killed situation against his will. The *desires* of some people to fight wars, or the *opinions* of some people that the draft is necessary to protect the country, are not sufficient

grounds for violating anyone's human rights. (If one were to adhere to Natural Law, the only way in which the people of a nation could rightfully provide for a so-called national defense would be through the voluntary financial support of an all-volunteer army.)

Compulsory Education. When a New Hampshire woman, Betsy Tompkins, recently was denied permission to educate her child at home, she joined thousands of others who have failed to convince the government that it is their right to educate their own children—or not to educate them at all, if that is their desire. Though Ms. Tompkins, like millions of other Americans, believed that the school system was not doing a satisfactory job of educating her daughter, when it came to a showdown, the government again made it clear that it owns everyone's life—including the lives of children.

Fortunately, Ms. Tompkins did not make the mistake of John Singer, a Utah man who was determined to demonstrate that government cannot force you to relinquish your children to its authorities. After a long legal battle, the government eliminated any doubt about its willingness to use force, when necessary, to make it clear to everyone that the lives of all men belong to the State. On January 18, 1979, Mr. Singer was killed by government "lawmen" on his own property. At the time, Singer was armed in last-resort preparation to defend his natural rights.

All Mr. Singer wanted was to educate his children his own way, without interference from the State, contending that he had a "God-given right to bring up his family the way he wanted." He did not feel that his children were getting the kind of religious and practical education he desired for them.

In addition to the repugnant immorality of government's claiming to own your child, compulsory education has been a disaster from the standpoint of results. An estimated 13 percent of all high school graduates are functional illiterates. (See Fred M. Hechinger, "Schoolyard Blues: The Decline of Public Education," *Saturday Review*, Jan. 20, 1979, p. 20.) When a person is compelled to learn something, his mind tends to block it out. You can use physical force on people, but, as slave owners in early America discovered, you cannot force them to absorb thoughts.

Finally, there is the false notion that formal schooling is necessary in order for a person to be educated. A child learns when he plays, when his parents and others talk to him, and from everything he does in life. As he gets older, he learns through reading, through his job, and through conversations with others. I personally consider my formal schooling to have amounted to only a small fraction of my education.

Obviously, one of the reasons government insists on educating your children is so they will grow up learning history, philosophy, and government itself from government's point of view.

Affirmative Action. I have yet to hear anyone categorize "violations" of so-called affirmative-action laws as victimless crimes, but they most definitely are. These laws are another case of government's applying force to a situation of personal choice.

Supposedly free individuals are told that if they do not hire people whom the government says they must hire, they will be punished. Quotas for "minorities" have been established both for businesses and universities. Not only does affirmative action infringe on the freedom of employers and college administrators, but it creates another victim—the person who loses out on a job or college admission as a result. Again, the only victims in this type of victimless crime are those created by government force.

What is particularly irritating about government meddling in this area is that both nonwhites and whites have rejected the concept of affirmative action in poll after poll. A Gallup poll in 1977 revealed that 64 percent of nonwhites interviewed rejected the idea of "preferential treatment" over "ability as determined by test scores," with an overall rejection ratio that exceeded 8-to-1. This presents a rather interesting question: who *is* for affirmative action?

Thomas Sowell, a highly respected economics professor at UCLA, and himself a black, gives part of the answer in an article in the June 1978 issue of *Commentary*:

> Supporters of numerical policies have the powerful drive of self-interest as well as self-righteousness. Bureaucratic empires have grown up to administer these programs.... The rulers and

ILLUSTRATION BY NANETTE BOYER

agents of this empire can order employers around, make college presidents bow and scrape, assign schoolteachers by race, or otherwise gain power, publicity, and career advancement—regardless of whether minorities are benefited or not.

In other words, blacks, once again, have been used as political pawns, this time in the affirmative-action issue. It is just another appeal to people's Expediency Factors. Anne Wortham, a brilliant libertarian writer, and also a black, makes no qualms about it. Writing in the February 1979 issue of REASON, she says, "It is plainly not in the interest of black leaders and the State that blacks become individualistic, no more than it was in the interest of slaveholders that slaves learn to read and write."

Affirmative-action laws not only are victimless-crime laws, and therefore immoral, but, in addition, they do not achieve their purported objectives. A Rand Institute study cited by Professor Sowell notes, among other things, that "our results suggest that the effect of government on the aggregate black-white wage ratio is quite small and that the popular notion that... recent changes are being driven by government pressure has little empirical support."

What, then, is it that has allowed blacks to make important civil rights advances? Primarily, it has been the admirable actions of blacks themselves, particularly black leaders who have encouraged self-reliance. In truth, government force regarding such things as affirmative action and busing has created resentment and backlash, actually retarding the cause of freedom-loving blacks.

What is particularly insulting to blacks about the quota system is that it implies that most minority-group members lack talent, which obviously is an irrational blanket judgment. Minority-group members, like everyone else, want respect—particularly self-respect—which does not come to them from being given special treatment for jobs and college admissions by virtue of government force. Says Professor Sowell: "The message that comes through loud and clear is that minorities are losers who will never have anything unless someone gives it to them."

Many black leaders, undoubtedly sincere in their intentions, make a grave mistake by calling for laws to force people to act against their wills. Some of them thoughtlessly accuse people of being racists if they are not in favor of affirmative action. But in reality it is they who advocate racism by calling for a clear distinction among blacks, whites, Mexican-Americans, etc., and by favoring special treatment for some people at the expense of the human rights of others. The fact that their ancestors were victims of slavery (that is, external control by others) makes it ironic that they should wish to see people forced to act against their wills.

Affirmative action is morally wrong on at least three counts:

1. *No employer should be forced to hire anyone who either is not qualified for a job or is not as qualified as another applicant.* Such force is to the detriment of the employer's business.

2. *Innocent people should not be made to pay for the wrongs of others.* The mainstay argument behind affirmative action is that, since blacks were treated unfairly in the past, society now must compensate new generations of blacks for that treatment. But, notes Professor Sowell:

> The past is a great unchangeable fact. *Nothing* is going to undo its sufferings and injustices, whatever their magnitude.... Neither the sins nor the sufferings of those now dead are within our power to change. Being honest and honorable with the people living in our own time is more than enough moral challenge, without indulging in illusions about rewriting moral history with numbers and categories.

3. But the most important reason that affirmative action is immoral is that *it defies Natural Law.* The owner of a business, whether black or white, has the right to hire and fire whomever he pleases, without having to account for his actions to anyone, simply because it is *his business.* When a person is not free to do as he pleases with his own property, in this case his business, his liberty has been violated. It would be an unavoidable contradiction to refer to such a person as a free man.

If the American Dream was symbolized by anything, it was self-responsibility.

Milton Mueller, in an article in the January 1979 *Libertarian Review*, put the affirmative-action issue in proper perspective, noting that "affirmative action is the last gasp of a crumbling economic system." Mueller went on to say:

> If special exceptions and special laws are necessary to bulldoze minorities into the system, then something is clearly wrong with the *system.* If the regulations that burden the economy are so intrinsically racist that quotas are the only way to get minorities in, then something is wrong with the regulations. . . A government-controlled economy is a static economy—the people on the bottom stay there. If the energies of a free, unrestricted economy are released, if the roadblocks are blown away, then minorities—and the rest of society—can advance.

Busing. It is bad enough that Big Brother forces all citizens to send their children to school, but to make integration a function of the school system is preposterous. Schools are supposed to educate, not integrate. Busing is just another political weapon, and a very dangerous one: it implies that government can force people to change their emotions. And laws that attempt to regulate emotions never work.

Here again, a majority of both blacks and whites have let it be known that they are opposed to the wrongfulness of having their children shipped daily, like cattle, to distant areas of their cities. Professor Sowell contends that:

> Underlying the attempt to move people around and treat them like chess pieces on a board is a profound contempt for other human beings. To ignore or resent people's resistance—on behalf of their children or their livelihoods—is to deny our common humanity.... The false practicality of results-oriented people ignores the fact that the ultimate results are in the minds and hearts of human beings.

As with all victimless-crime laws, the only victims involved in busing are those created by government. When a "busing law" is violated, the person found guilty of the violation is, in reality, not the perpetrator of a crime, but its victim. On the other hand, when these laws are obeyed, the children and parents involved, both black and white, become victims.

The concept of busing is particularly insulting to black children, because it implies that they must be surrounded by white classmates in order to achieve. The combination of both the aggression and insult inherent in busing has been an unnecessary political keg of dynamite planted under the feet of Americans.

Eminent Domain. Here, as in so many government actions, the question of property rights arises. Through a very impressive-sounding term—*eminent domain*—government attempts to give respectabil-

ity to the act of forcing people to give up their homes for the "general welfare." If the government decides that it wants your property, all other considerations are irrelevant—including the number of years you have owned your home or land, the emotional value it may have to you, and even what you think it is worth.

The fact that the government pays you for your property (at a price which *it* deems to be "fair") does not change the more important fact that your rights have been violated. If someone comes up to you on the street and demands your watch, then pays you what he deems to be a fair price in return, such payment does not change the reality that a theft has occurred.

As with all other victimless-crime laws, however, you will be arrested and punished if you refuse to do as you are told by authorities—in this case, "sell" them your property. And if you try to defend your property physically, you will either end up in jail or lose your life in the process.

History is filled with cases like that of Stephen E. Anthony, who refused to give up his half of a house to the government. Local politicians wanted to make room for a Hollywood film museum on his property. Anthony, who protected his property at gunpoint, eventually was arrested and put in jail for six months. A few months after his house was razed, the museum project was abandoned. The site of his former home is now a parking lot. Here again, the only victim in this "victimless" crime was the person victimized by the government itself—for refusing to give up what was rightfully his.

Seat Belts, Helmets and Other Protective Devices. Millions of people do not use seat belts and therefore do not want to pay for them when purchasing a new car. Government, however, does not give the public an option on this extra. Everyone must pay for this protection even if the seat belts are never used and if they accomplish nothing more than flopping around on seats and causing discomfort to passengers.

Nevertheless, individuals who group themselves together under the banner of "consumer safety" still are not satisfied. They continue to campaign for the passage of a law which would force people to use the seat belts they already are compelled to buy.

Helmets and all other mandatory safety devices involve the same type of control over people. They force individuals to do what *others* believe to be in their best interests, even if they do not agree. Many motorcycle riders, for example, believe that helmets *cause* accidents by obstructing peripheral vision. But the motorcyclist is no different from anyone else: the government owns his life. Because of their desire to capture the votes of "consumer-safety" advocates, helmet manufacturers, or anyone else who may be in favor of the compulsory use of "safety devices," politicians feel obliged to burden citizens with the cost and inconvenience of expensive equipment "for their own good."

PROHIBITIVE VICTIMLESS-CRIME LAWS

"Prohibitive" victimless-crime laws are laws which make it illegal for you to do certain things you may want to do. Like compulsory victimless-crime laws, prohibitive victimless-crime laws involve external control and thus are forms of involuntary servitude.

Gun Control. Through the years there has been a great deal of heated debate over so-called gun-control legislation. Not only are all arguments that favor gun control invalid on the basis of logic, fact, and morality, but even those who are *against* gun control usually miss the real issue. The issue is *freedom*.

A person has a right to own a gun for the same reason that he has a right to own *anything*; the corollary to this is that the government has no right to forbid anyone to own a gun, for the same reason that it has no right to forbid anyone to own *any* item. Gun control, therefore, is a mis-

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nomer. When politicians talk about gun control, they really are talking about people control.

Those who insisted on the Second Amendment to the Constitution—"the right of the people to keep and bear arms"—had important reasons for wanting this protection. Having been tyrannized by the government of Great Britain, they saw the right to bear arms not only as a means of protecting one's life and property from other citizens but as a last resort of defense against an oppressive government. That is precisely why it is in the interest of today's government to disarm the population. It has cleverly masked this violation of a constitutional and natural right by appealing to the emotions of a frightened populace.

Owning guns has nothing to do with crime; if anything, it has to do with preventing crime. Notwithstanding the continual efforts to build a case against gun ownership, government legislators have failed in their attempts to show that gun control lowers crime rates; in almost all cases, in fact, the results of tests and studies have shown quite the opposite to be true.

The old slogan which maintains that "if guns are outlawed, only outlaws will have guns," is a reality. Today, for example, it is illegal for most private citizens to carry concealed weapons. Law-abiding people, therefore, do not carry them. But you can be sure that *criminals* in every city in America are walking the streets carrying concealed weapons. Gun-control laws have the very real effect of giving criminals an advantage over noncriminals!

Authorities have estimated that approximately 9,000 people in the United States would be killed by handguns in 1979, which is an unfortunate fact of life. Nevertheless, this is only a small percentage of the number of people killed each year by automobiles. But the large number of automobile deaths is not sufficient cause to deny sensible, responsible individuals the use of automobiles. The exact same logic applies to guns.

Guns are a form of self-defense, and by removing from a person a tool of self-defense, government not only violates his rights but endangers his very life. A gun is an individual's ultimate means of preserving his freedom; it may well be that there is a definite connection between government's stepped-up efforts toward gun control at a time when government itself is increasingly guilty of violating individual rights.

As Morgan Norval put it in an article in REASON magazine in October 1975: " 'Order' may be the excuse; 'law' may be the argument; 'keeping someone else in his place' may be the emotional rationale; 'supporting the police' may be the civic slogan; 'ending violence' may be the dream—but the nightmare of reality is total tyranny of the State." The right to bear arms should be defended to the bitter end. Because in the bitter end, as the American Revolutionists discovered, it may very well get down to a matter of whether or not you *do* have arms.

Zoning. Remember, one of the true tests of ownership is whether or not you can do anything you want with your property. If you have to get government's permission to build the house of your choice, or even to do remodeling or put up a fence, how can you be called the owner of your prop-

erty in the true sense of the word?

Aside from the moral implication of others' telling you what you can and cannot do with something you own, the whole concept of zoning is based on the mythical vision of a vicious entrepreneur building a slaughterhouse adjacent to someone's $100,000 home. For obvious economic reasons, this would never occur: Why would someone want to pay an enormous price for land on which to build a plant, when he could choose an industrial location at a fraction of the cost? Land prices negate the practical need for zoning laws. The beautiful city of Houston, with virtually no zoning laws, is living proof of why such laws are an unnecessary intrusion of privacy.

Usury. The major effect of usury laws is somewhat analogous to the effect of minimum-wage laws. Minimum-wage laws force people to be unemployed; usury laws force people out of business. Because some voters think that "usury" (that is, interest rates *they* deem to be too high) is immoral, politicians have burdened the public with yet another nuisance. They must protect the "innocent" citizen from being victimized by unscrupulous lenders.

No thanks. When I was down and out, I needed to borrow money badly, and I was a poor risk. When I did find people who were willing to lend me money at interest rates commensurate with the risk they were taking on me, we had to spend many days working out the legal details necessary to get around the law that "protected" me. Such time-wasting maneuvering goes on every day, particularly in the business world, between borrowers and lenders who must create legal facades to protect the lender from government usury laws.

Of course, banks and other lending companies with special government "licenses" are allowed to charge more than the official usury-law rates in most states. If government does not give them an outright exemption from usury laws, this is accomplished through special fees, "compensating balances," and a variety of other means.

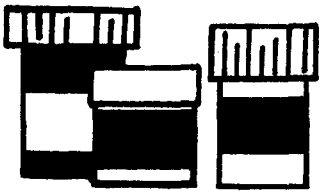
Gambling. Various voters conceive of gambling as "sinful," which gives politicians yet another opportunity to preach about "public morals." Gambling, of course, puts government in a slightly hypocritical position, since it does allow selected "licensees"—who give government a cut of the take—to conduct gambling operations.

Horse racing is licensed in most states, but only to privileged operators; this licensing arrangement contributes enormous revenues to state-government coffers. In Nevada, virtually all types of gambling are legal, and recently gambling was "legalized" in Atlantic City. Other states go further by operating the gambling apparatuses themselves, such as New York State's bookmaking facilities and the lotteries run by many state governments.

The rather strange implication is that gambling is immoral unless government is involved. Since every person who gambles loses money in the long run, I guess the reasoning is that citizens are protected so long as the government is the one who ends up with their money.

"Pornography." "Pornography" is so subjective that it is an absolute absurdity for government to involve itself in this area. Obscenity, like everything else, is in the eyes of the beholder. The libertarian approach here, the same as to all victimless crimes, is best expressed by Murray Rothbard in his book *For a New Liberty:* "The good, bad, or indifferent consequences of pornography, while perhaps an interesting problem in its own right, is completely irrelevant to the question of whether or not it should be outlawed.... It is not the business of the law...to make anyone good or reverent or moral or clean or upright."

Sexual Behavior. Government interference in the sexual behavior of consenting adults is one of the most flagrant viola-



tions of individual liberty. The idea that government has a right to say what goes on in your bedroom should make even the most unconcerned person think twice before laughing at the suggestion that we are beset with "creeping totalitarianism."

It is irritating even to have to argue for the rights of people to engage voluntarily in sexual acts of their choosing, because it dignifies the incredible gall of absolute moralists who believe they should have a say-so in the most private affairs of others. If you believe in the right of individuals to control their own lives, then you know that the sexual conduct of consenting adults is not the government's business and should not carry legal consequences. Big Brother has no place in the regulation of private conduct—period.

"Drugs." Probably no other promoting-the-general-welfare function of government causes so many innocent people (including nonusers of drugs) so many problems. As happens with virtually all outlawed products and services, government, by prohibiting the use of certain drugs, creates a black market for them.

As soon as something is outlawed, criminal elements will gladly jump in and provide the illegal product or service at substantially increased prices. The higher prices are due not only to the scarcity of the product or service but also to the seller's need to be compensated for the government-created risks involved. These high prices motivate some consumers of such products and services, particularly "drugs," to commit crimes against innocent people in order to raise the money needed to obtain them.

It is not government's business to run around protecting people from hurting themselves, whether with marijuana, caffeine, or alcohol—or cholesterol, for that matter. I have no personal axe to grind regarding any of these substances, because I rarely indulge even in a social drink and have never taken so much as a puff of marijuana. These are products which just happen not to be of interest to me. But, while I consider it very unwise and unhealthy to use such substances indiscriminately, the fact is that their use is not a political matter—it is a *private* matter.

Who would protect children from the harmful use of drugs in a free society? The same people who are supposed to protect them from touching a hot stove, getting run over by cars, or committing crimes against others: *parents.*

One thing certain is that government certainly does a poor job of it. The fact is that the finest work done in the area of drug rehabilitation has been accomplished, as one would expect, by *private* charitable organizations. Individuals can solve problems just fine—even "community problems"—if left alone to do so on a noncoercive basis.

It is time for Big Brother to get out of our private lives and off our backs and let us fend for ourselves. Self-responsibility was a major ingredient in the American dream.

Smoking. Most of the same points made in regard to antidrug laws are equally valid for antismoking ordinances. There is, however, one additional twist to antismoking laws: some nonsmokers claim that they do not care if others smoke, so long as they do not do it in a "public place."

The problem here is the curious latitude people use in defining the term *public place.* A restaurant is one outrageous and commonly used example, yet a restaurant is a *privately* owned establishment. As such, its owner has the sole right to decide whether or not to allow people to smoke on his premises. If he chooses to allow it and a nonsmoker (like me) is bothered by the smoking, the nonsmoker can

take immediate noncoercive steps to do something about it—on his own—simply by not frequenting that restaurant in the future.

On the other hand, if the owner does not allow smoking, a smoker either can refrain or he can take his business elsewhere; there is no need for the heavy hand of the law. Free men can settle differences by respecting each other's rights, especially property rights.

Should antismoking crusaders ever succeed in having smoking outlawed, look for organized crime to set up an elaborate black market in cigarettes that will make the days of Prohibition look like a nursery-school game by comparison. Smokers will continue to smoke; you can be sure of that. The question is whether smoking will be controlled by private industry or organized crime.

Suicide. There is virtually nothing to say on this subject, except to point out the ridiculous fact that suicide is actually against the law in some states. The right to take your own life is perhaps the ultimate test of whether or not you own it. In outlawing suicide, government makes it absolutely clear that your life belongs to the State and that therefore only the State has the right to decide what will be done with it.

PRIVACY: LOST FOREVER?

The aggression that is couched under the benevolent guise of "promoting the general welfare" continues to grow each year. People are becoming more and more complacent, accepting Big Government interference in their lives as normal. Consider:

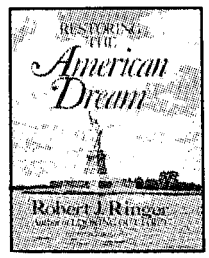
- The Bank Secrecy Act (a deliberate reverse description of its effects) requires that you file detailed reports with the government any time you take more than $5,000 cash out of or into the country.
- You not only need a passport to travel but must fill out detailed reports naming your destinations, your original point of embarkation, the nature of your business, how long you will be away, and many other personal details of your trip.
- A federal appeals court in St. Louis ruled that the government has the right to break into an unoccupied office to install electronic devices if a judge deems that to be the only "reasonable way" to obtain evidence and issue warrants.
- Pacific Telephone & Telegraph Co. admitted that it routinely releases unlisted telephone numbers of private citizens to the CIA, the military, the governor's office, and other governmental agencies and branches.
- The CIA and FBI have virtually unrestricted access to all of your tax information.
- As Robert Ellis Smith reports in *Privacy: How to Protect What's Left of It*, the government has an incredible average of 18 files on each man, woman, and child in the United States!

Was all this what our Founding Fathers had in mind when they threw out those oppressive rascals from England? I think not. Certainly not in the history I have read. I believe, in fact, that they had just the opposite in mind when they signed the Declaration of Independence.

Can these violations of freedom be stopped? Not unless an awful lot of people get educated to the facts very quickly and get very mad about the situation. So long as millions of citizens play right into the government's hands and demand that their expedient moral desires be met, the number of victimless-crime laws—under the guise of "promoting the general welfare"—will continue to increase, along with invasion of privacy, which means a *decrease* in freedom.

Unfortunately, not too many people are working toward stemming the tide of this coercive government function. And it appears that things are speeding up considerably in the direction of *more* government control over the lives of individual citizens. ◻

Robert Ringer is the author of Looking Out for #1. *This article is an excerpt from Chapter 6 of his book* Restoring the American Dream, *newly released from Harper and Row.*



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civil engineers do not). And, by the principle of economy just cited, *then* would have been the time to study these subjects.

A considerable experience of forestry leads me to the same conclusion. The field is certainly very complex today, requiring textbook knowledge of biology, hydrology, ecology, and other subjects. But such refined knowledge is not needed in the beginning of the young forester's career. And what *is* needed at first can be learned much more rapidly and satisfyingly in the woods than by a four-year academic stint that amounts to suspended animation, to real torture for many of the temperamental sort who might become excellent rangers.

AND CULTURE?

Renouncing academia for apprenticeship leaves the problem of general culture —the backbone of the liberal arts curriculum—in neglect. But this is largely a paper loss. Students of engineering and forestry presently get next to nothing of general culture in our universities, and what they do get is apt to be taken resentfully as a delay in progress toward the realization of their careers. (Ask any English professor what he thinks of teaching the course known colloquially as "English for Engineers.")

Again, my response is, Let them get on with what they themselves have the felt need to do. Let general culture wait. (Did Plato not advise postponement of the study of philosophy until the age of 40?) Later, when engineering competence has been achieved, the need for general culture will be viscerally felt, and, when this occurs, our engineers will prove themselves admirable students of it.

Moreover, it will not have been previously poisoned for them by premature force-feeding. On this score, consider medical students, who by the nature of their training stand as extreme examples of cultural deprivation. Those who recognize this and hunger to rectify it become, in their own good time, positively rapacious learners and furnish our communities with a stock of cultural leaders.

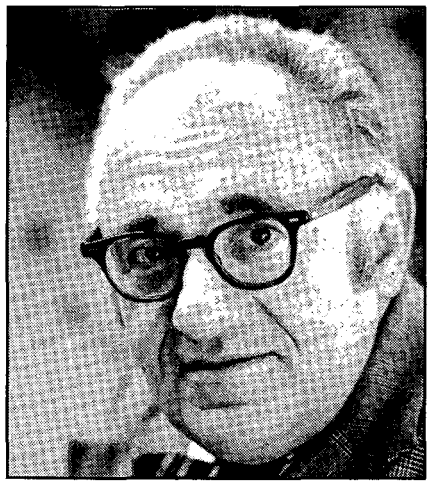
How many times do we hear venerable trial lawyers exclaim that the solid practitioners of their work are "born, not made"? Very well, give the neophytes among these born barristers the minimum of formal training and set them to doing the simplest kinds of work which constitute preparation of cases for trial; then let them move ahead from there.

It is a myth that academia is everyone's destiny. *Learning* is a destiny that in most instances will be furthered by release from the hermeticism of academia. Confer a Ph.D. on God if we must, but let us not imagine that there is only one road to salvation. ◻

David Norton is the author of Personal Destinies: A Philosophy of Ethical Individuallsm. *This article is adapted from his article in* School Review *(vol. 80, pp. 67-75) by permission of the author and the University of Chicago Press.*

National Review and the Pro-Government Coalition

viewpoint



Murray N. Rothbard

I have contended for some time that libertarianism has been making great strides in American life, both as an organized movement and in the adoption of its ideas and attitudes by the general public. Some libertarians have chided me for an absurdly overoptimistic view of recent developments. Yet, it is increasingly clear that the forces engaged in defending government in the United States—whether left, right, or center—agree that libertarianism is beginning to have a powerful influence. And so they have begun to coalesce to form the praetorian guard in defense of the State and to attack libertarianism and the libertarian movement with great bitterness. In the course of their attack, the differences among left, right, and center statists are beginning to look ever more puny.

The recent wave began with the March 16 lead editorial of the liberal Catholic magazine *Commonweal*, entitled frankly "In Defense of Government." *Commonweal* bewails the fact that not for generations "have there been so many intelligent people bent upon proclaiming that the state is the enemy," and it deplores an antigovernment movement led by "doctrinaire libertarians" and particularly economists, "a group occupationally conditioned to look fondly upon market solutions."

A more heavyweight attack from the left came shortly afterward from Philip Green, a member of the editorial board of the *Nation*, in a two-part article in the March 31 and April 16 issues, the last one entitled "Two Cheers for the State." Green particularly chides libertarians for their "selfishness"—it being assumed that when people move into the governmental arena, their selfishness becomes magically transmuted into an altruistic passion for the common good. Green trumpets the slogan, "the common good precedes individual good," a perhaps unwitting echo of the identical slogan of the Nazis in the 1930s ("*Gemeinnutz geht vor Eigennutz*"). Cheering for the State, Green warns: "Weaken the state and it is almost certainly our collective capacity of self-defense against the powerful that will be most gravely threatened."

If the intensity of devotion to the State may be gauged, however, by the degree of hysteria in attacks against libertarians, then the praetorian-guard prize must be accorded to *National Review*, which devoted two articles, twelve pages, and the front cover of its June 8 issue to a scurrilous and frenetic attack on the current libertarian movement, most particularly on me and my associates at the Cato Institute in San Francisco. True to the right wing at its scurviest, the major thrust of both articles is that I and my associates are Soviet apologists and perhaps even Soviet agents, "apologist(s) for Stalin," "anarcho-totalitarians" with important positions "indistinguishable from the Communist position."

That *National Review* believes that such imbecilic hogwash will be taken seriously is a measure of its desperation in the face of the burgeoning libertarian movement. For we take conservatives' occasional (all too occasional) obeisances to libertarian rhetoric seriously and are thus siphoning off many of the conservatives' best people and best supporters.

To me, it is particularly amusing to be once again read out of the conservative movement nearly 20 years after Bill Buckley and *National Review* had already done so, with considerably less fanfare. Apparently, the anathema hadn't taken, and so this time, *NR* returns with bluster, Red-baiting, bell, book, and candle.

One of the *NR* authors, one Lawrence W. Cott, former editor of *National Review*'s McCarthyite appendage *Combat*, is obsessed with the bomb-murder in Washington in 1976 of the Chilean leftist exile Orlando Letelier, and the Letelier question forms the *leitmotif* of his article. Unfortunately, he seems to think that we at Cato are equally obsessed and that our major interest in life is to avenge the Letelier murder, perhaps at the behest of the international Castro conspiracy. In two and a half years at Cato, I have not given a single thought to nor heard a single word about Orlando Letelier, nor have I seen any bearded Cuban agents hanging around. But perhaps in the "delusional" world (to use a favorite term of the other *NR* author, Ernest van den Haag) of *National Review*, this only shows what devious and sinister Soviet-Cuban agents we really are.

Van den Haag's is the major article in the issue. Here I am bemused to find myself in the company of that other "delusional" Soviet apologist, the great libertarian psychiatrist Thomas Szasz, whom van den Haag judges to be dangerously soft on Soviet psychiatry. Van den Haag also slings around his own alleged authority as lay psychoanalyst, pondering whether or not "an unmanageable obsession has taken possession" of Szasz, and engages in what I suppose he considers heroic self-restraint by not elaborating on his critique that "the libertarian movement has attracted more than its share of kooks, neurotics, and perverts" and that "the attraction of ideas is not unrelated to the character of those attracted." But he is certain that both Szasz and I have gone "to Stalin's school."

Thomas Szasz has been the victim of countless despicable verbal muggings by psychiatric and psychoanalytic hatchet men, and he is perfectly capable of taking care of himself. But I will only add that there is no one else in the world with whom I would rather be Red-baited and psycho-smeared.

Who is Ernest van den Haag, and what are his qualifications for doing a hatchet job on libertarianism? He is well qualified by being known to some as the right wing's "enforcer," from his major emphasis on increasing punishment for any and all crimes. He is even better qualified by not having a single libertarian bone in his body. Running through virtually every aspect of the social sciences, he has managed to take consistently pro-statist and antilibertarian positions in every area. He is a self-proclaimed ultra-Keynesian economist and proponent of the welfare state. In this very article in *National Review*, van den Haag:

- attacks Mises, Hayek, and Austrian

economics, breaking again into favorite clinical terminology by opining that "generally, libertarian economists suffer from a degenerative form of the Austrian disease";

- attacks the gold standard as a "mystical article of faith";
- strongly attacks natural rights or any belief in rights and proclaims utilitarianism (David Friedman, despite his professed anarcho-capitalism, gets curiously off van den Haag's hook, ostensibly because David is at least a utilitarian, although one may be pardoned for suspecting that *NR* doesn't care to offend David's famous father, Milton);
- affirms, against libertarianism and Enlightenment rationalism, the centrality of tradition and of original sin;
- opposes to anarchism his embracing of the State as a sovereign power that must not be regulated by law, quoting the French defender of absolute monarchy Jean Bodin; and
- attacks the idea of applying moral principles to politics.

But enough! There comes a point when one goes down into the muck, even in self-defense, that the stench becomes overpowering. Suffice it to say that in selecting van den Haag for its smear job *National Review* chose a man who, along with the egregious Rabbi Baruch Korff, was the last defender of Richard Nixon. With *that* record of success for van den Haag, the future of liberty looks particularly bright.

taxes

Your First/Best Investment

Here's an important question that everyone asks at one time or another: "Now that I'm starting to make money, what investment should I make first?" The answer may not be what you'd think.

Every libertarian, of course, knows enough to keep his money out of banks and other fixed-interest "savings" institutions, both because of easy government access and because of inflation wiping out any interest that may be paid. The alternatives—investments that have served so well to protect wealth in the midst of upheavals throughout history—are gold, silver, diamonds, coins, art, etc. And there is no gainsaying the absolute value of such investments. But none of them should be your *first* large-scale investment.

When a client asks me the above question, I always counsel this: *buy a home*—that is, a single-family dwelling house. In California, as well as many other areas of the country, homes that sold for a mere $20,000 or $30,000 ten years ago are now bringing in prices of $80,000 or $90,000 . . . and more. The reason for this is that a home offers a solid basis of real-world value, even in the face of inflation, governmental harassment, and bureaucratic roadblocks.

That is to say, you can *live* in a house. It protects you from heat, cold, rain, and snow, as well as financial vicissitudes. You can raise a family of little antigovernment toddlers—future troops in the battle for liberty—in a house. And, unlike gold coins, silver, diamonds, or antiques, you can stockpile and protect things inside a family home, such as food and necessary weapons. It can even be used as a fortress to hold out against the ugly forces of statism, should the need arise. A home, privately owned, gives one solidity and contact with the earth. It affords a basis for inflamed passions against oppressors. No wonder that the first blow of the modern tax rebellion was struck over property taxes in California. No wonder that dictators—of whatever stripe—so often move to expropriate small landowners and homeowners.

But there are countervailing forces, particularly in America. At the same time that the different levels of government—from local to federal—move to depress the supply of housing with zoning, "safety" regulations, density controls, bureaucratic harassment, etc., we find powerful incentives to *encourage* home ownership. Measures abound such as FHA home loans, VA guaranteed mortgages, and Farmers' Home Loan Administration assistance.

Among the most compelling of such measures are the myriad tax breaks available to the homeowner. Unlike most "loopholes," the tax benefits of home ownership benefit the general, productive, working populace. And the little perks of home ownership keep growing. And, with the great mass of working people in America either owning or striving to buy their own home, it has become sure political suicide to suggest ending the benefits. With that happy thought in mind, here are a few of the tax reasons why your first investment should be a house:

1. All the interest you pay on your home mortgage is deductible on the Schedule A of your income tax return. With the standard deduction (new bureaucratic name: "zero bracket amount") being raised every few years, it takes a bigger and bigger chunk of money to "beat the standard" (which is currently $2,200 for single people, $3,200 for married couples filing jointly, and $1,600 for those who are married filing separately —and it's scheduled to increase yet again for 1979 returns). Usually home mortgage interest alone—10 percent and more throughout the country today—is enough to push one over the line into tax-saving deductible amounts on the Schedule A.

2. All state and local real estate (property) taxes are similarly deductible on the Schedule A. Although Proposition 13 and the tax rebellion have put a temporary dent in the vicious appetites of government functionaries for raising money in this way, it's not uncommon even today for a homeowner to have to pay a property tax "rent" of $100 or more per month.

3. If you buy a succession of "personal residences" (in the tax-law parlance), and each one costs as much or more than you sold the previous one for (with certain adjustments), then you pay no tax on any profit you made by selling the previous residence. Such taxes are not killed permanently, only deferred. But if you live in your own home all your life, the tax pigs aren't going to see a penny until you die. And even then you might be able to work something out . . .

4. Homes, being "capital goods," are taxed at the much more favorable capital gains rates. That is, if you sell a house and make a profit of $10,000 on it and choose not to invest in another house of equal or greater value, you'll have to pay income tax on only $4,000 of that profit.

5. There are generous one-time exclusion rules for certain people who sell their homes. If you are age 55 or older *and* have owned and lived in the house as your personal residence for three of the previous five years, then you can totally exclude (not simply defer) any tax on your profit up to $100,000.

6. If you rent out part of your home or use part of it for an office, depreciation deductions are available, as well as certain operating expenses for those parts of the home, such as utilities and a portion of your home insurance.

7. If you work on your home and improve it over the years with things such as landscaping, additional rooms, or a sprinkler system, the cost of such improvements is added on to the original cost of the house to you, which decreases the amount of profit you will be taxed on.

As you can see, the list of tax benefits is long. These remarks are only a broad outline, and you should see a good tax advisor before buying *or* selling a house, since the rules are detailed and complex. Nevertheless, they're real if you're a homeowner, and they help save you money that would otherwise go to our tormentors who work for the government.

—Tim Condon

movies

• Manhattan • Circle of Iron • Alien
• The Warriors • The Last Embrace • The Silent Partner

• Seeing Woody Allen's latest, **MANHATTAN**, was a pleasant surprise after a series of unfavorable impressions of his previous films. In this one he never really tries to be funny—the humor is incidental, and when it occurs it springs from an appreciation of something deeply embedded in the human condition, not (as before) scattered sparks on the surface. Not once does he take a small quip or situation and blow it up to such proportions that you wish it had never been brought in to begin with. Not once do you feel he's so anxious for a laugh that he will try anything to obtain one. That aspect of his films from *Bananas* to *Annie Hall* is now happily behind him.

The transition was 1978's serious film *Interiors*, which he directed but didn't act in. It concerned universal human problems of life and death, marriage and divorce, but most of all love, in tangled webs of human relations. The same description would also apply to *Manhattan*—but *Manhattan* is much more probing, totally honest and realistic, devoid of striving for effect, full of human insight and tragedy; and unlike *Interiors* it is a vehicle for Allen himself, this time transformed from the comic that (in my opinion) he never was, to a sensitive register of important aspects of man's inner life. The film hews a fine line between chill and warmth, between cynicism and sentimentality, never once going over the edge, always remaining in the realm of the credible. He elicits remarkable performances from Diane Keaton, Meryl Streep, and Margaux Hemingway as the three women in his life. The panoramic shots of Manhattan alone —beautifully photographed in black and white—(almost) make one want to go back to New York to live; and the playing of Gershwin melodies is just right for setting the tone, as well as concluding the proceedings. By delivering to us an imaginative recreation of deep and intractable human problems in the real world, Woody Allen has at last given us a beautiful and virtually flawless film.

—John Hospers

• If it were a good kung fu movie, it would at least have made the kung fu aficionados happy. But there isn't that much of it, just here and there in the midst of an insipid and meandering story; and what there is is so badly photographed that one can barely tell what's going on.

It might have been a rousing adventure story. But there's very little adventure in it, just a series of unrelated incidents with David Carradine constantly turning up as a different person, uttering each time a new series of inanities.

If it were a child's fantasy, full of the spirit of soaring adventure and imagination like *The Thief of Baghdad*, it would have been eminently worth seeing. But it has nothing of childhood innocence about it. What lechery there is, is in the spirit of aged voyeurs; instead of being sexy, it's embarrassing and boring.

If it were a truly philosophical tale about the wisdom of life and the meaning of existence, as it pretends to be, it might have been a welcome relief from lighter film fare. But it is no *Stevie*. There are numerous enigmatic remarks, each one more lame-brained than the last. Even Heraclitus's old saw about not being able to step in the same river twice is trotted out (twice)—this one and all the other mysterious sayings presented without explanation, as if the sole purpose were to keep the viewer uncomfortably mystified.

It's such a hopeless mix—as if one were to put chocolate over mashed potatoes and cover the whole mess with beer—that the only thing one can really do with **CIRCLE OF IRON** is not allow oneself to be encircled by it.

—J. H.

• There have been fine science fiction thrillers like *The Andromeda Strain* in which the viewer knew what the odds were and was kept abreast of every development, pro and con. Armed with this knowledge, the question was whether he could make a plausible prediction or an educated guess and in some way outsmart the plot-twisters. In **ALIEN** there isn't much point in trying to outguess them, since what one faces here is simply an Unknown. One can wonder what form the unknown kind of life will assume next, thanks to the special-effects department; but in a game without rules, there isn't much a viewer can do that could be called playing. One can guess with some probability the human reaction of the characters to whatever happens, since this is something within our ken, something we can deal with and empathize with (though the characterizations in this film are of the most superficial and noninvolving sort). But to try to anticipate what The Incomprehensible is going to do is a hopeless task.

The opening sequences are the best, for here there is an air of mystery that one anticipates (incorrectly) will add up to something. A space ship lands on a distant planet with a strange crazy horizon and dark menacing shapes unlike any ever yet seen by man. But when we see that the aura of mystery is about all we are going to get—like the Exhibition Quality of opening bars of music, as if announcing something important, which becomes tiresome when these bars are not in fact followed by anything of significance—then it ceases to be compelling, and we feel cheated for being led on to expect more. One wonders whether the high anticipation apparently felt by the hundreds of people standing in line to see this film was matched by an equal amount of retrospective gratification when exiting from the theater. I for one found most of it, after the unrealized potential of the first 20 minutes, mostly a dreadful bore.

—J. H.

• From the title one would gather that **THE WARRIORS** is about knighthood and heroism in combat. It does deal with combat, but it is the combat of competing gangs on the streets of New York, one of which is called The Warriors. A meeting of various gangs occurs in the upper Bronx one summer night, and the whole film is about the vicissitudes of The Warriors in crossing other gangs' turf while trying to get back home to Coney Island. Even the subway system is far from safe (*Continued on p. 48.*)

books

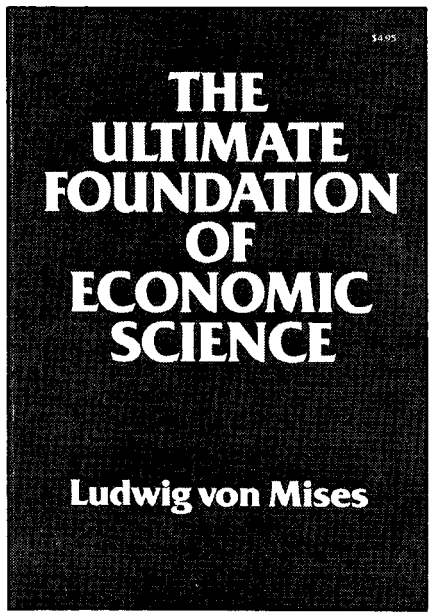
The Ultimate Foundation of Economic Science

By Ludwig von Mises. Introduction by Israel Kirzner.
Kansas City: Sheed Andrews and McMeel. 1978. 148 pp. $4.95 paper.

New Directions in Austrian Economics

Edited by Louis Spadaro.
Kansas City: Sheed Andrews and McMeel. 1978. 239 pp. $4.95 paper.

Reviewed by Arthur M. Diamond, Jr.



Neo-Austrians these days are quick to observe "an expanding influence of Austrian thought in economic debate." Sometimes cited as evidence of the expanding influence is a new series of books entitled Studies in Economic Theory, two of the more recent of which are a reprint of Ludwig von Mises's *The Ultimate Foundations of Economic Science* and a collection edited by Louis Spadaro and entitled *New Directions in Austrian Economics.*

But the publication of the books seems to reflect, not so much the increased influence of neo-Austrian economics among intellectuals, as it does the increased generosity of those who underwrite such Austrian work. Whatever the reason for publication, the books make readily available some evidence that should be useful to the libertarian trying to make an informed choice between the neo-Austrian and the Chicago approaches.

To decide between the two schools, one must first ask what economics is to be: a handmaiden to libertarian political philosophy or a value-free instrument of explanation? Libertarians are often attracted to neo-Austrian economics because it seems to offer a closed and certain framework for proving that the free market always delivers the goods. Chicago economics, on the other hand, avows that whether the free market delivers the goods is a question subject to empirical investigation.

In fact, on occasion a Chicago economist finds evidence that the government is more effective at delivering the goods than is the market. Should this bother the libertarian purist? The answer depends in part on what foundation the purist gives for his libertarianism. If, with Nozick or Rand, he follows Kant in giving an ethically *a priori* account of what sorts of interactions among men are moral, then his libertarianism would remain intact even if the free market were not superior in delivering the goods. Only if his standard is the greatest good for the greatest number, need discovery of "market failures" undermine his libertarianism.

It is not clear, however, that even the utilitarian libertarian should prefer handmaiden economics to value-free economics. Freedom and truth are both high ideals, but is not truth the higher? According to Kirzner's foreword to the von Mises reprint, the master himself would have answered: "Yes, truth is the higher ideal." In Kirzner's words: "It is necessary for the scientist to acknowledge findings that seem to run counter to his own intellectual interests with the same candor and openness with which he announces conclusions that he views as more congenial to his own values." It follows that an economic school should be judged on the explanatory power of its theories, not on its presumed compatibility with libertarianism.

The books under review here provide grounds for judging the explanatory power of the neo-Austrian school—the von Mises book because it is the most detailed and articulate defense of neo-Austrian method; the Spadaro book because it is billed by the neo-Austrians as presenting some of the best of the fruits of that method.

Two major claims separate von Mises's neo-Austrian method from the method of the rest of the profession. They are that all of economics can be deduced from the axiom that "man acts" and that empiricism in economics is worthless.

That all of economics can be derived from the axiom "man acts" sounds no less miraculous than the claim that Jesus fed a large crowd with a couple of fish and a loaf of bread. The question is whether in economics there can be a theoretical free lunch. Put more precisely: How can an admittedly tautological (p. 17) proposition yield other propositions that have explanatory power?

Von Mises gives no direct explanation. Instead, he issues a warning that is frequently repeated: Do not confuse economics with other disciplines. In this particular instance, von Mises claims that those who criticize the tautological character of the action axiom are confusing economics with geometry. It is as if Jesus, when asked how he had multiplied the loaves, had responded: "Beware not to confuse loaves with rocks!" One might heed the warning, yet still remain puzzled.

A scholar named Claudio Gutierrez was puzzled enough to pursue the action axiom beyond the vague yet grand claims made for it in essays on methodology. He examined in detail (see *Theory and Decision*, 1971) the early portions of a book by one of von Mises's disciples. What he found was that significant results are derived from the action axiom only by the frequent, unacknowledged redefinition of terms at crucial points in the argument. If Gutierrez had been given to overdrawn metaphor, he might well have concluded that the Austrian cookbook contains no recipe for a theoretical free lunch.

The praise of deduction in von Mises's methodology is surpassed in passion only by the disdain for empiricism. In substance, his critique is that since man has free will, it is impossible to derive empirical laws useful in predicting what he will do (p. 58). While this criticism may have philosophical appeal, it rules out too much for his purpose.

The problem is that *a priori* laws provide just as much a constraint on free will as would empirical laws. To the extent that free will is unconstrained, it limits the explanatory power of all laws, whether *a*

priori or empirical. As a result, von Mises's emphasis on free will provides no grounds for preferring Austrian economics to Chicago economics. In fact the von Mises position, when carried to extremes (as in Lachmann and Shackle), results in a scientific nihilism that denies that economics can ever have any explanatory power.

The Chicago school, in contrast, generally maintains an agnostic silence on matters of free will and the human psyche. For Chicagoans, the power of economics lies not in fathoming the psyche but in making conditional predictions about how behavior will change with changes in objectively observable constraints. Thus, the Chicagoan predicts that when the price of shoes goes up, fewer shoes will be consumed. Of course an "other things being equal" clause is always added. But this clause is less significant than it appears, because a law is only judged useful if other things usually *are* close to being equal.

Chicagoans are agnostic on more than free will; few of them would bother to criticize von Mises's method abstractly. Following Stigler rather than Friedman, they are doubtful that abstract arguments can provide the decisive grounds for preferring one method to another. The most telling test for them is the fruitfulness of the method when practiced. *New Directions in Austrian Economics* provides the evidence for such a test because it was intended to include some of the best and the latest of the work of the neo-Austrians.

Several of the programmatic suggestions in the essays indicate a move in the direction of good sense, and these are to be applauded. Thus Rizzo suggests that the neo-Austrian should consider how statistics may be soundly applied to historical work; Moss points out the weakness in a purely subjectivist account of interest rates; Garrison by example indicates that graphs may be useful; and Spadaro suggests that the use of advanced mathematics should not be ruled out out of hand.

But in spite of a few signs of good sense, there is little evidence of the alleged explanatory power of neo-Austrian economics. Consider if you will a too-brief-to-be-fair but too-long-to-be-stylish summary of the contents of the volume: Ludwig Lachmann attacks the use of macro-aggregates and endorses the scientifically nihilistic radical subjectivism of G. L. S. Shackle; John Egger argues that Austrian economics differs from other approaches because it focuses on plans rather than preferences; Mario Rizzo identifies economic statistical work with logical positivism and then proceeds to repeat the standard criticisms of that philosophy; Israel Kirzner uses a debate between Leibenstein and Stigler as an occasion to reaffirm his program in *Competition and Entrepreneurship*; S. C. Littlechild complains that cost-benefit analysis is not subjective enough and is likely to be used to promote socialism; D. T. Armentano summarizes the differences between neoclassical and various Austrian theories of monopoly; Gerald O'Driscoll abstractly repeats the spontaneous coordination theme of his recently published dissertation; Murray Rothbard denounces Chicago and reveals the *a priori* definition of money; Lawrence Moss, in the tradition of Böhm-Bawerk, offers brief but cogent criticism of the neo-Austrian subjectivist account of interest rates; Roger Garrison expresses the Austrian macroeconomic position graphically so as to clarify its differences from the position of Don Patinkin; and, finally, the editor, Louis Spadaro, presents a program for future research. All of the essays, with a couple of partial exceptions, are either method, program, history of thought, or a repetition of old arguments. What is painfully absent is evidence of expanding explanatory power.

Research programs are easy to advise but difficult to fulfill. With exasperation Eliza Doolittle sang to Freddy: "Don't talk of love—show me!" If Eliza were a modern economist she would sing a similar song to the neo-Austrians: "Don't talk of method, history, and program—show me!" So far, she would still be waiting to be shown.

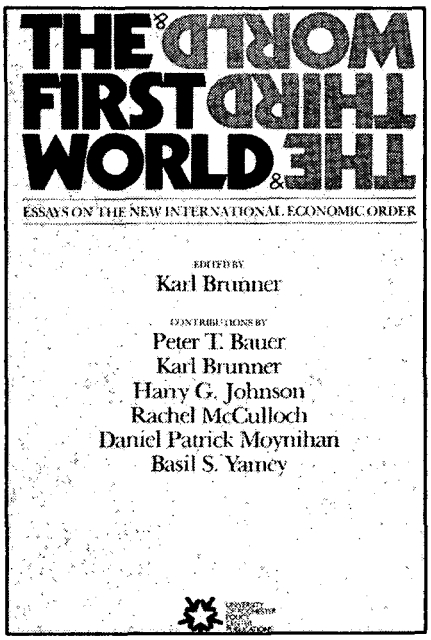
Arthur Diamond has a Ph.D. in philosophy and is now pursuing graduate studies in economics at the University of Chicago.

The First World and the Third World

Edited by Karl Brunner.
Rochester, N.Y.: University of Rochester Policy Center Publications. 1978. 272 pp. $9.95/$3.95.

Reviewed by Alvin Rabushka

I picked up *The First World & The Third World* fearful of coming away depressed. I had read dust-jacket remarks and several previously published reviews. The thrust of all these remarks was that the United States is a guilt-ridden weakling in the international corridors of the United Nations and its specialized agencies, that we have been browbeaten by Third World socialist ideology with its repeated assaults on liberty and the market economy, that the New International Economic Order (NIEO) has gained worldwide legitimacy (both at home and abroad), and that we increasingly face compulsion to distribute more and more taxpayers' dollars to the ruling elites—not impoverished masses—of the Third World.



Karl Brunner's opening remarks justified my worst fears. Brunner launches into a polemical assault on the Marxist-Leninist opponents of free societies and follows with an equally intense denunciation of the Western world's passive diplomatic response to the enemies of liberty. Villain number one is, needless to say, the US Department of State, whose interests lie not in defending the United States against foreign enemies but in nurturing goodwill among foreign and international bureaucracies.

Brunner forcefully rejects the appeals of the NIEO; instead, he calls for greater movement toward free trade, end of barriers to foreign investment, and the need for US spokesmen and policymakers to defend liberty. These measures, he says, will better serve the interests of Third World citizens than any forceful redistribution of Western resources to Third World governments.

What is the NIEO? Basically, it is a call for transfer of resources from Western nations to the governments of Third World countries. In justification the following arguments are offered: that the West is responsible for Third World poverty, that official wealth transfers are required as restitution for past wrongs and to reduce economic inequality, and that unless its demands are met the Third World would resort to force. Apart from Ambassador (now Senator) Moynihan's defense of America and denunciation of totalitarian and socialist regimes in the United Nations (but as P. T. Bauer points out, a

weak statement at best), the United States is the whipping boy of Third World and home-grown socialist ideologues.

Now you see the source of my fears? Maybe we abolish the United Nations? Let's declare an intellectual war against the Third World and the NIEO! Or should I refuse on principle to pay my share of income taxes that is consigned to the menacing United Nations?

The truth is that my fears have been for naught. As Rachel McCulloch indicates, in the book's most illuminating essay, the United Nations and its haranguing Third World ideologues are virtually without power.

First, the resolutions of the General Assembly are not binding on the member states or their citizens. "The developed nations, and particularly the United States, have responded to the automatic developing-country majority by deflecting substantial decisionmaking to such preferred forums as the World Bank and the International Monetary Fund (IMF), in which members vote money, i.e., votes are proportional to financial commitments." These two agencies—the most important of the 14 specialist agencies in terms of resources—have avoided the policy paralysis characteristic of the General Assembly.

Second, proposals to establish world commodity cartels have been adamantly opposed by the United States. Western states have also remained cool toward proposals for buffer-stock arrangements.

Third, despite demands for large resource transfers from the West to Third World leaders, the trend in developed countries over the past few years has been in the opposite direction. Between 1960 and 1975, American official developmental assistance fell from .53 percent of GNP to .20 percent. Reductions also occurred in France, Germany, and the United Kingdom. The failure of friendships to flow from past assistance makes it most unlikely that this falling trend will be reversed.

So, the drive for a New International Economic Order under Third World orchestration is utterly without enforcement powers.

I sleep better now, no longer fearful of the United Nations, the NIEO, or the threats of the Third World. I would remind Brunner and his collaborators that talk is cheap; it may be more productive to watch what people do, not what people say. From McCulloch's evidence, it appears that the bombastic rhetoric of Third World and Western Marxist intellectuals is falling on increasingly deaf ears.

Alvin Rabushka is an economist who specializes in the study of free-trade zones.

Harvard Hates America

By John LeBoutillier.
South Bend, Ind.: Gateway Editions.
1978. 161 pp. $7.95.

Reviewed by J. Charles King

Mr. LeBoutillier has written a very fine title. Unfortunately, readers attracted by that title will find that the title is much better than the book. This fact does not, however, become clear until one has been fairly well entertained by the first long chapter in which the author recounts the story of his sophomore tutorial in 1973 as a Harvard history concentrator, interspersing it with other anecdotes about his time as a Harvard undergraduate. According to LeBoutillier's memory the class began with the following speech from his tutor:

"I don't give a shit about American history. I don't give a damn about facts or dates or any of that traditional crap. Hell, I don't even know what year the Civil War began. As far as I'm concerned, that type of history just plays along with the right-wing fascists who run this country... the very people I'm dedicated to overthrowing."

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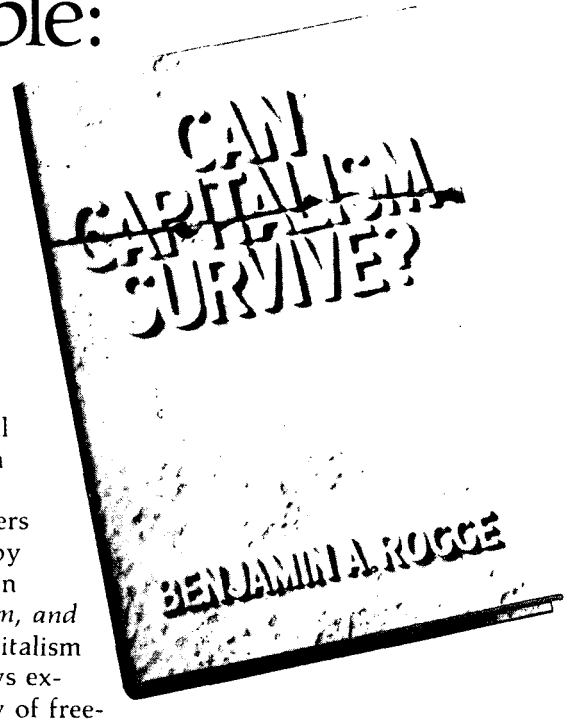

Can Capitalism Survive?
By Benjamin A. Rogge

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As the author continues to report his memories of the tutor (who turns out to be living in luxury off the money of his wife, who is the daughter of a wealthy banker), one gets really interested in what the book will contain. To be sure, the reported academic atrocities just aren't very shocking to anyone who spent the late '60s and early '70s in an academic surrounding. (Somehow people seem to be forgetting that a lot of what is called "the '60s" happened in the early '70s.) Nonetheless, this tale by a recent graduate is entertaining and raised in me the hope that LeBoutillier had been led by this disillusioning tutorial to spend his remaining years at Harvard in cataloguing similar instances in order to make the case for his splendid title. But what a disappointment lies in store, for the next four chapters deal with his relationship with the Republican Party!

Even LeBoutillier's Republican adventures begin interestingly enough and help to reveal both charm and the very considerable abilities he must possess. He was deeply moved by the desire of a former Vietnam POW, Lt. Colonel Leo K. Thorsness, to run for the Senate seat of George McGovern. On impulse, LeBoutillier called Thorsness in South Dakota and offered to help in his primary campaign for the Republican nomination. Thorsness told him that the principal need was for money, so from his college room LeBoutillier began to raise money, using letters and follow-up phone calls. In the end, he raised more money 2,000 miles away than Thorsness raised in South Dakota. As a result, LeBoutillier became finance chairman of Thorsness's general election campaign against McGovern, which is of course a rather surprising place for a 20-year-old college student to find himself.

The reader is now subjected to the tale of LeBoutillier's inevitable disillusionment with the inept outfit that is the Republican Party. At this point one would have hoped that LeBoutillier, who already was aware of the vices of the Democrats, might have encountered the Libertarians as likely beneficiaries of his fund-raising talents. But, alas for us all, and especially for the reader, what he actually does is undertake a long dissertation on why he is a Republican and what he thinks the Republican Party should be. If one is reading the book for an exposé of the anti-American sins of Harvard University, one begins to lose patience.

To make a long, long story short, LeBoutillier decides to remain a Republican because of his admiration for the principles of some of the founders of the party. I am not an expert in American political history, but I recognize romanticized history when I read it, and Mr. LeBoutillier's history of Republicanism is much romanticized.

On the basis of this renewed devotion to Republicanism, he constructs a program for his party consistent with his view of its origin. I will forego a report of this program in favor of a short quotation that will tell readers of REASON all they need or want to know about it: "We need to reaffirm the idea that the federal government does have a purpose. And that purpose is to guarantee to each family the availability of education, homes, nutrition, and medical care. Yet, we also need to return to the idea that, as Lincoln said, 'government should only do for people what they can't do for themselves.' " With such vision Mr. LeBoutillier hopes to give us a reasonable alternative to the Democrats!

In the end I felt cheated by this book. The title promised a very different book from what I found inside. I should add, however, that in spite of that feeling I found it hard not to like John LeBoutillier. He seems an impressive and able young man. He retains a pleasing sincerity and a rather attractive naiveté. I suspect that he would be a very likable person. On top of all of this, his adventures to this point show very considerable courage. Thus, I can only hope that his later experiences will lead him to see the dead-end he is headed for with the Republican Party. Perhaps some day he will even want to write a book that does what his title led one to expect this time. He can call it *America Hates the Republican Party*, but it can be about Harvard University.

Charles King, a professor of philosophy at Pomona College, is a Harvard graduate.

The Genesis Machine

By James P. Hogan.
New York: Ballantine. 1978. 299 pp.
$1.75 paper.

There seem to be relatively few science fiction novels that deal with scientists per se and the trials and passions associated with pure research. Hogan's novel helps fill this void with an intimate look at the obstacles (in this case, government) that plague one Bradley Clifford, a physicist.

In a world of narrow-minded bureaucrats and an Orwellian international situation, it is refreshing to find an individualist like Clifford excited by the powers of his own mind and driven by a desire to know. Initially, Clifford, a delightful blend of John Galt and the funky (sometimes alcoholic) humanity of a Heinlein character, must sneak time away from his job as a researcher on laser weapons to work on his pet theory. Infuriated by the stupidity of the bureaucracy, Clifford quits and is soon accepted as a researcher by a private foundation.

Belatedly, the government realizes the value of Clifford's theory and, unable to progress on its own, systematically denies Clifford access to the hardware he needs. Cornered, Clifford decides to dance with the devil and allows the government to subsidize his efforts in exchange for a piece of the action. Woe it is that comes to the pugnacious autocrats who have frustrated Clifford's Einsteinian mentality. Rather than providing them with a new tool of belligerence, the genesis machine proves to be Clifford's ultimate solution to meddlesome statists.

Especially gratifying is the skill with which Hogan observes all the known laws of physical science and yet goes on to create a fantastic, but plausible, set of new physical laws. Equally pleasant is the skill with which Hogan communicates an essentially individualistic philosophy.

I say essentially, because Hogan does slip when he allows Aubrey Philipsz (correct spelling), Clifford's partner, to be persuaded by appeals for blind trust as Clifford is about to resolve World War III to his own satisfaction. Worse yet, Hogan suggests that the problem of international statism can be resolved by simply denying nuclear weapons to the power-mongers. Thus, the realism so painstakingly built up in the area of science is tarnished by a naive treatment of human nature.

But, all things considered, Hogan spins a good yarn. If you liked Robert A. Heinlein's *The Moon is a Harsh Mistress*, you ought to like James P. Hogan's *The Genesis Machine*.

—Norman J. Berls

movies

(*Continued from p. 44.*)

from gang warfare, and the picture of New York City that the film offers is enough to scare one away from spending even five minutes there.

If one takes it seriously, that is. And it's not easy to do that, since the story is extremely contrived, and one can practically see the plot machinery creaking behind the scenes. The characterizations are uniformly flat and the characters almost uniformly vicious—all presented without background or reason: no theorizing here about psychological or environmental causes; action is all that counts. There are two fairly violent fight scenes in the film that indicate that expertness at karate must have been one criterion in selecting

people to head this otherwise woebegone cast.

Expertness is not something that could honestly be said to characterize their verbal activities. One fairly good line occurs near the end of the film, when at dawn the camera pans on the slum of Coney Island as the elevated subway stops at Stillwell Avenue: "Why did we fight all night long to come home to this?" Though uncharacteristically articulate for the characters, the question is a good one. But no better than the question, "Why did we fight traffic and stand in line to see this film?"

—J.H.

• There are few imitators of Hitchcock who can fill the master's shoes. Jonathan Demme, the latest pretender to the throne, directed **THE LAST EMBRACE** with panache and lots of action, but very little *meaningful* action. There are a few moments of suspense, having nothing to do with the plot: she is poised over Niagara Falls, will she or will she not fall? But the premise on which the story is based is so ludicrous that it's hard to see how any viewer could be convinced by it. Granted that the girl's grandmother was driven into prostitution when she came to the United States almost a century ago, why should her granddaughter now, in 1979, try to kill all the male descendants of her clients—leaving them warning notes in Hebrew besides? At the beginning, when we realize there's a multiple death threat and that all the other men threatened have already been killed, our interest is aroused, only to be quickly extinguished when the whole story is spread out before us. The plot has only a fraction of the low plausibility of *Omen*, without the developing sense of mystery and dread. Sometimes a plot is so bad that even Coleridge's "willing suspension of disbelief" is not possible.

—J. H.

• A somewhat more effective thriller is **THE SILENT PARTNER**, directed with a sure hand by Daryl Duke. Set in present-day Toronto, this neat little chiller involves a love-hate triangle (Elliott Gould, Susannah York, Christopher Plummer) along with some shady shenanigans in the Bank of Toronto. The characterizations, as far as they go, are plausibly developed, and the plot takes interesting and unexpected turns. The tension aroused is great enough to hold your attention without scaring you to death, and you can forget all about it immediately afterward without having it give you nightmares or even leaving a bad taste.

—J. H.

letters

(Continued from p. 11.)

I do have one criticism of the article, for "society" will never do anything about the "problems" discussed, and as a "writer/teacher" Ms. De Soubiese can do "very little"; but as human beings who desire to pursue the perfection of our species we can accomplish immense achievements in education and all areas of importance to humans. Accepting the false idea that "society" can somehow recognize a problem will prevent individuals from acting to improve their lives.

Only by making moral judgments in every area of one's life will individuals be able to effectively combat the prevailing beliefs in America today. Only if individuals in every walk of life consistently identify moral truths will it become clear to all that, as Tibor Machan declares in his June editorial, "Altruism has nothing to give it intellectual support." Indeed, it is a false idea which is exposed when we join with thinkers like Ms. De Soubiese and act upon our observations of reality.

James W. Henderson
Chicago, IL

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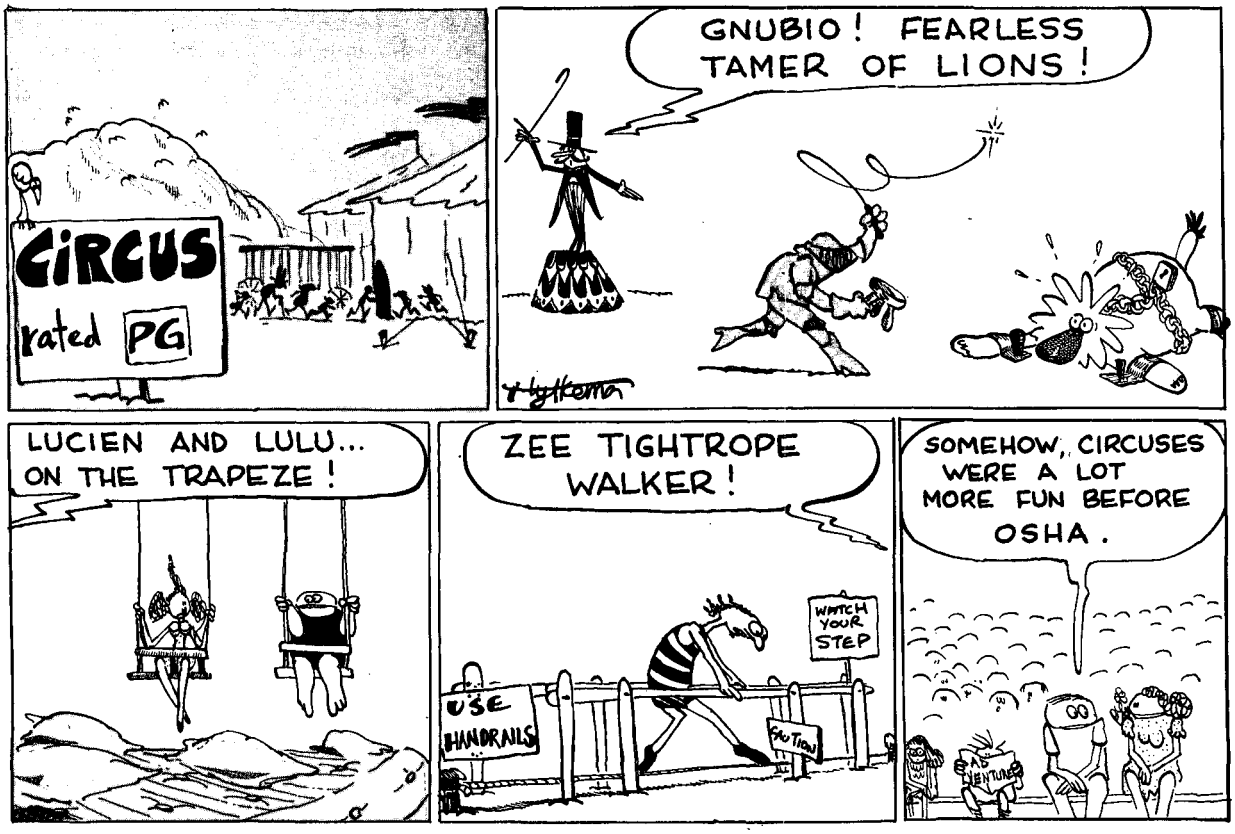

Teachers Should Quit

In this free land, Theresa Hale De Soubiese can quit and go into more productive work than what she covers in "Surviving the Blackboard Jungle" [May]. Going on strike is a cop-out. She wants to keep her profits without taking the burdens.

I hope you didn't publish the article to tell us how savage are some schools? Everyone in government, including everyone in the public schools, takes his profits from the rest of us by force, at the point of a gun. He passes mandatory attendance laws to maximize his profits, since it is evident that such laws do not improve education at all. More than half of his victims get little or no education, according to the US Office of Education's 1976 report, but are forced to sit for a dozen years having useless syrup poured over them hoping some will stick.

Why, then, should the slaves not rebel? They are being taught that they have the right to rob others for their educations, clothing and food, fun and games—why should they not just attack everyone if they enjoy it? Isn't this a free country?

The obvious response is that the teacher should quit and get into other work. If enough quit, the message will get through. To stay on under these conditions marks the complainer as a liar, since she stays there and thus the work is not intolerable.

Thomas S. Booz
Plantation, FL

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THE FASTEST GROWING CHURCH IN THE WORLD

by Brother Keith E. L'Hommedieu, D.D.

It's quite safe to say that of all the organized religious sects on the current scene, one church in particular stands above all in its unique approach to religion. The Universal Life Church is the only organized church in the world with no traditional religious doctrine. In the words of Kirby J. Hensley, founder, "The ULC only believes in what is right, and that all people have the right to determine what beliefs are right for them, as long as they do not interfere with the rights of others."

Reverend Hensley is the leader of the worldwide Universal Life Church with a membership now exceeding 7 million ordained ministers of all religious beliefs. Reverend Hensley started the church in his garage by ordaining ministers by mail. During the 1960's, he traveled all across the country appearing at college rallies held in his honor where he would perform mass ordinations of thousands of people at a time. These new ministers were then exempt from being inducted into the armed forces during the undeclared Vietnam war.

In 1966 Reverend Hensley was fighting the establishment on another front. The IRS tried to claim the ULC wasn't a legal church and proceeded to impound the ten thousand dollars in the church bank account. The feisty Hensley filed suit against the IRS in federal district court for return of the funds and to permanently establish the ULC as a legal tax exempt entity. On March 1, 1974 Judge James F. Battin ruled against the IRS in his decision which stated, "Neither this court or any branch of this government will consider the merits or fallacies of a religion. Nor will the court praise or condemn a religion. Were the court to do so, it would impinge upon the guarantees of the First Amendment." The judge then ordered the IRS to return the impounded money and to grant the Universal Life Church its tax exempt status.

Reverend Hensley has stated that he believes a church is people and not just a fancy building. He also believes in total freedom and equality for all people. The ULC will ordain anyone without regard to religious beliefs, race, nationality, sex or age.

The ULC's success formula is both effective and unquestionably legal. After a person has become an ordained minister, he or she can join with two other people and form their own Universal Life Church. These three people then make up the Board of Directors consisting of a Pastor, a Secretary and a Treasurer. The ULC will then grant the group the use of its legal church charter complete with both federal and state tax exempt numbers. The newly formed church may then open a bank account in the church's name. Any member of the church can legally donate up to 50% of his or her outside income to the church and take a corresponding tax deduction. The church in turn can pay the complete housing cost of its minister including rent or mortgage payment, insurance, taxes, furnishings and repairs. The church can also provide the minister with full use of an automobile as well as pay for travel and educational expenses. None of these expenses are reported as income to the IRS. Recently a whole town in Hardenburg, New York became Universal Life ministers and turned their homes into religious retreats and monasteries thereby relieving themselves of property taxes, at least until the state tries to figure out what to do.

Brother L'Hommedieu is Chairman of the Board of Trustees of the Sacerdotal Order of the Universal Life and serves on the Board of Directors of the International Universal Life Church, Inc.

Churches enjoy certain other tax benefits over the common man on the street. For instance, a church can legally buy and sell real estate or stocks and bonds completely tax free. It can receive tax free income from bank deposits or mortgages. Many churches own large publishing, recording, or other related businesses like hospitals, clinics and schools without paying any income tax.

A church can sponsor any kind of fund raising event such as a concert, play or even bingo. Churches are also exempt from paying inheritance taxes. When the pastor of the church dies, the Board of Directors simply appoints a new pastor and the church goes on.

Reverend Hensley has stated that he personally doesn't believe in the tax exempt status of churches. However, if the government is going to give a free ride to Billy Graham and the Pope, then why not let everybody participate in these blessings. Furthermore, he backs his words up by offering to defend in court the tax exempt status of his congregations.

Since the church was founded in 1962, it has attracted members who are movie and TV personalities, businessmen, government officials, lawyers, and doctors as well as all types of regular working people. During the last 15 years the Universal Life church has blossomed into a full blown grass roots populace movement. Reverend Hensley is ordaining ten thousand new ministers a week and predicts that the church will have over 20,000,000 members by the early 1980's. In addition, requests for interviews and TV appearances continue to pour in.

Anyone who is a member of the ULC will tell you that the ULC is destined to change the world. By unifying mankind into a brotherhood of freedom orientated individuals, each respecting the other's right to live life as they see fit, the Universal Life Church hopes to put an end to all wars. Reverend Hensley admits that this is a pretty monumental task to accomplish, but he also points out that he is already well on the way to reaching his goal.

Rev. Hensley invites all those interested in becoming an ordained minister and receiving complete information and Minister's Credentials, to send a 10^{00} tax deductible donation to the Universal Life Church, 1335 Seabright Ave., Dept. **147**, Santa Cruz, CA 95060

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